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EMPLOYEE BENEFITS 1979

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CHAMBER OF COMMERCE OF THE UNITED STATES
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EMPLOYEE BENEFITS 1980

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CONTENTS

Page

1. Introduction 4
2. Summary of Findings 5
3. Distribution of Benefit Payments 6
4. Average Benefit Payments 8
5. Industry Variations 9
6. Regional Variations 14
7. Size of Company Variations 15
8. Pension and Insurance Costs 16
9. Percent of Companies Paying Employee Benefits 20
10. Payroll Deductions for Employee Benefits 23
11. Wage and Payroll Data 24
12. Comparison of 1959-79 Employee Benefits 27
13. Total Employee Benefit Costs 29
14. Supplements to Wages and Salaries (United States Department of Commerce Data) 31
15. How Employee Benefits Were Surveyed 33
16. Copy of Questionnaire Used in Survey 34

TABLES

1. Distribution of Employee Benefits, 1979 6
2. Five Levels of Employee Benefits, 1979 6
3. Distribution of Employee Benefits as Percent of Payroll, by Industry Groups, 1979 7
4. Employee Benefits, by Type of Benefit, 1979 8
5. Major Types of Employee Benefits, by Industry Groups, 1979 9
6. Employee Benefits as Percent of Payroll, by Type of Benefit and Industry Groups, 1979 11
7. Employee Benefits as Cents per Payroll Hour, by Type of Benefit and Industry Groups, 1979 12
8. Employee Benefits as Dollars per Year per Employee, by Type of Benefit and Industry Groups, 1979 13
9. Employee Benefits as Percent of Payroll, by Region and Industry Groups, 1979 14
10. Employee Benefits as Percent of Payroll, by Size of Company and Industry Groups, 1979 15
11. Pension Payments, by Industry Groups, 1979 16
12. Insurance Payments, by Industry Groups, 1979 17
13. Insurance Payments, by Type of Insurance, 1979 18
14. Employee Payroll Deductions for Pensions and Insurance, 1979 19
15. Percent of Companies Paying Employee Benefits, 1979 21
16. Average Benefit Costs as Percent of Payroll for Companies Paying Employee Benefits, 1979 22
17. Payroll Deductions for Employee Benefits, 1979 23
18. Wage Data, by Industry Groups, 1979 25
19. Comparison of 1959-79 Employee Benefits for 182 Companies 27
20. Estimated Total Employee Benefit Payments, 1979 29
21. Growth of Employee Benefits, 1929 to 1979 30
22. Supplements to Wages and Salaries, 1929 to 1979 31

CHARTS

1. Employee Benefits as Percent of Payroll, by Industry Groups, 922 Companies, 1979 10
2. Annual Employee Benefits and Earnings per Employee, 1979 26
3. Comparison of 1959-79 Employee Benefits for 182 Companies 28
4. Supplements to Wages and Salaries, 1929 to 1979 32

1. INTRODUCTION

Employee benefit growth, during recent years, has substantially improved worker well-being, and has also increased the cost of doing business.

Payments for vacations, holidays, rest periods, etc., constitute almost half of total employee benefits. These payments are included in most government wage reports as a portion of employee wages. Such payments give employees increased compensation for each hour actually on the job. Thus, they also increase the employer's cost for each hour of productive labor.

Pension, insurance, Social Security, and other employer payments for nonwage employee benefits are not part of the payroll, and are not reflected in current income or wages of employees. Such benefits, however, greatly improve employee security and well-being, and also increase the cost of doing business.

This study is, in general, limited to employees who are not exempt from the Fair Labor Standards Act. Pay of workers covered by this survey varies with the number of hours worked. However, for banks, financial institutions, etc., all nonsupervisory employees and working supervisors are included, regardless of their method of wage payment.

Thirty-two years ago, the Chamber of Commerce of the United States noted the scarcity of statistical information regarding the scope and nature of employee benefits, and conducted the first comprehensive employee benefit study for a cross section of American industry. This study was widely and favorably received. At the request of employers it was repeated biennially with extended coverage and in greater detail.

Responding to numerous requests of employers for more frequent data, we are now conducting annual surveys.

This eighteenth study was possible only with the cooperation of the 922 reporting employers who sorted through their records to furnish the detailed information requested, frequently at considerable cost to themselves. We wish to thank them for their help.

Several organizations cooperated with the U.S. Chamber in this study. The National Retail Merchants Association, Hospital Association of New York State, Hospital Association of Pennsylvania, Kansas City Area Hospital Association, and American Paper Institute each sent questionnaires to some of their members. We greatly appreciate the assistance of these organizations in helping us improve the coverage of this survey.

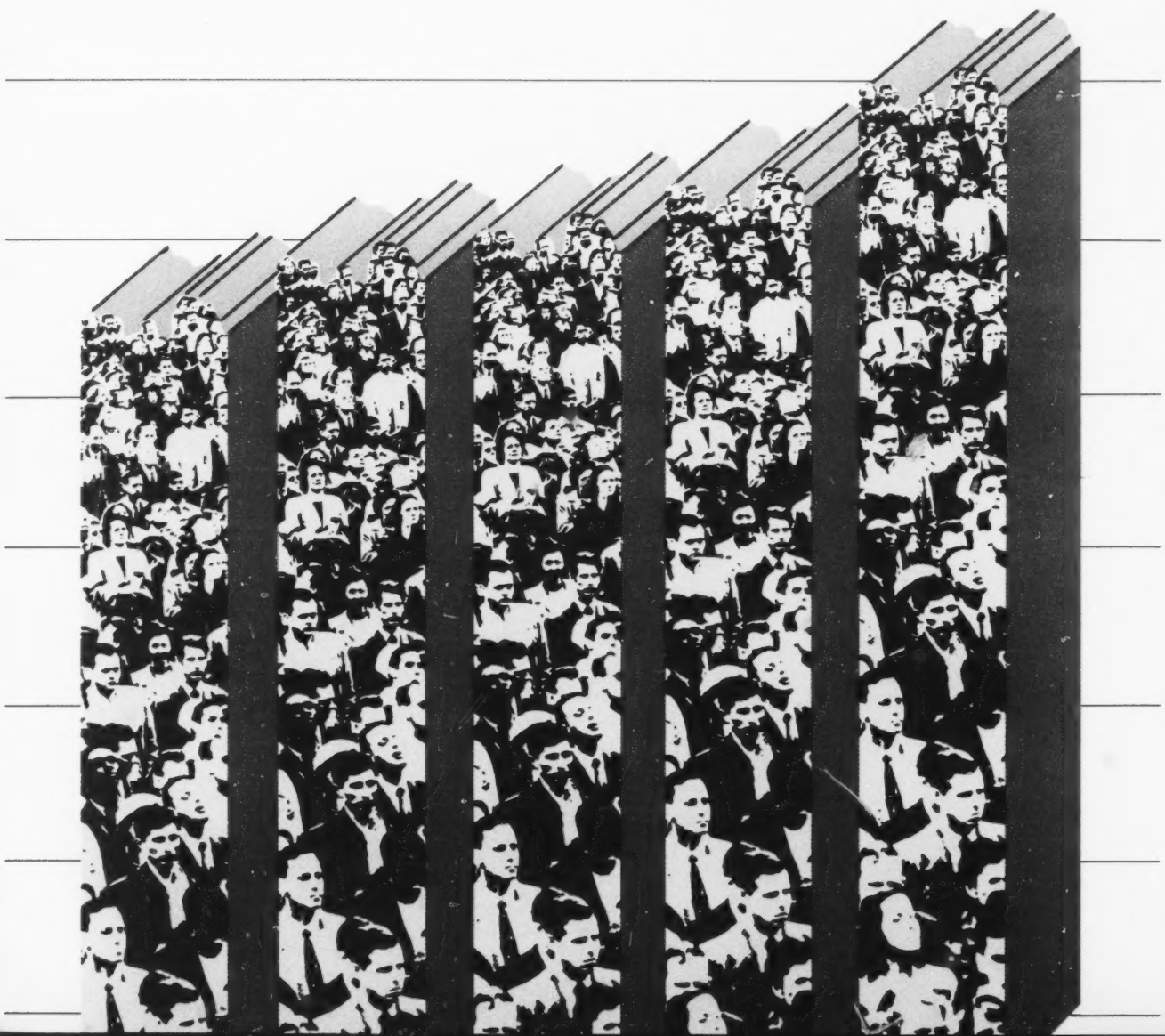
This survey was conducted in the U.S. Chamber's Survey Center, Economic Policy Division, by Fred D. Lindsey, Consultant.

RICHARD W. RAHN
Vice President and
Chief Economist

October 1980

2. SUMMARY OF FINDINGS

1. Employee benefit payments varied widely among the 922 reporting companies, ranging from less than 18 percent to more than 65 percent of payroll and from under $2,400 to over $9,500 yearly per employee.
2. The average payment in 1979 was 36.6 percent of payroll, 267.6 cents per payroll hour, and $5,560 per year per employee.
3. Industry payments varied widely. Hospitals averaged 28.2 percent, but the petroleum industry paid 44.5 percent.
4. Highest payments were made in the Northeastern and East North Central states, followed by the Western and Southeastern states.
5. Larger firms tended to pay higher benefits than smaller firms.
6. Payments for nongovernment pensions were reported by 86 percent of the companies, with pension payments for these firms averaging 6.3 percent of payroll.
7. All companies reported payments for employee insurance programs, with these payments averaging 5.7 percent of payroll.
8. Payrolls of reporting companies included 93.7 percent for straight-time pay, 3.6 percent for overtime premium pay, 0.6 percent for holiday premium pay, 0.6 percent for shift differential, 1.1 percent for earned incentive or production bonus, and 0.4 percent for other payroll items.
9. Employee payroll deductions for benefits included 5.8 percent Old-Age, Survivors, Disability, and Health Insurance (FICA taxes), 0.1 percent for Railroad Retirement Tax, state sickness insurance, and similar programs, 0.3 percent for pensions, and 0.8 percent for life, hospitalization, surgical, and other insurance.
10. Benefit payments for 182 companies submitting data since 1959 increased from 24.4 percent in 1959 to 31 percent in 1969 and 41.2 percent in 1979.



3. DISTRIBUTION OF BENEFIT PAYMENTS

Payments for employee benefits varied widely among the 922 reporting companies. At one extreme were 16 companies paying less than 18 percent of payroll for benefits, while five firms paid 65 percent or more.

Expressed as cents per payroll hour, the range was even more extreme. Seventeen firms paid less than a dollar an hour, while 17 firms paid more than five dollars. On an annual basis, 34 firms paid less than $2,400 per employee, while 34 firms paid $9,500 or more.

The distribution of benefit payments for the 922 companies is shown in Table 1.

One-tenth of the firms paid more than 48.1 percent of payroll for benefits, while one-fourth paid more than 41.8 percent, as shown in Table 2. Half the firms paid more than 35.9 percent, three-fourths more than 30.9 percent, and nine-tenths more than 25.2 percent. The arithmetic mean or average payment was 36.6 percent. This was somewhat larger than the middle payment of 35.9 percent, since it was influenced by the high-paying companies.

Corresponding data as cents per payroll hour and as annual dollars per employee are also shown in Table 2.

Within individual industries, benefit payments also varied widely. Payments in the food, beverages, and tobacco industry varied from under 18 percent to more than 50 percent, and in the electrical machinery, equipment, and supplies industry they varied from less than 18 to more than 55 percent. The distribution of individual company payments by industry groups is shown in Table 3.

TABLE 1. Distribution of Employee Benefits, 1979

Percent of payroll		Cents per payroll hour		Dollars per year per employee	
Percent	Number of companies	Cents	Number of companies	Dollars	Number of companies
Under 18.0%	16	Under 100.0¢	17	Under $2,400	34
18.0-19.9	11	100.0-109.9	9	2,400-2,599	13
20.0-21.9	20	110.0-119.9	11	2,600-2,799	17
22.0-23.9	26	120.0-129.9	12	2,800-2,999	14
24.0-25.9	33	130.0-139.9	17	3,000-3,199	21
26.0-27.9	52	140.0-149.9	17	3,200-3,399	18
28.0-29.9	51	150.0-174.9	49	3,400-3,599	27
30.0-31.9	85	175.0-199.9	102	3,600-3,799	35
32.0-33.9	80	200.0-224.9	99	3,800-3,999	35
34.0-35.9	93	225.0-249.9	124	4,000-4,499	86
36.0-37.9	81	250.0-274.9	87	4,500-4,999	106
38.0-39.9	76	275.0-299.9	87	5,000-5,499	112
40.0-41.9	71	300.0-324.9	73	5,500-5,999	85
42.0-43.9	53	325.0-349.9	50	6,000-6,499	70
44.0-45.9	41	350.0-374.9	44	6,500-6,999	57
46.0-47.9	41	375.0-399.9	42	7,000-7,499	52
48.0-49.9	20	400.0-424.9	22	7,500-7,999	40
50.0-54.9	41	425.0-449.9	20	8,000-8,499	27
55.0-59.9	18	450.0-474.9	11	8,500-8,999	19
60.0-64.9	8	475.0-499.9	12	9,000-9,499	20
65.0 and over	5	500.0 and over	17	9,500 and over	34
TOTAL	922	TOTAL	922	TOTAL	922

TABLE 2. Five Levels of Employee Benefits, 1979

Item	As percent of payroll	Cents per payroll hour	Dollars per year per employee
10% of firms paid more than	48.1%	394.5¢	$8,161
25% of firms paid more than	41.8	321.0	6,669
50% of firms paid more than	35.9	251.3	5,248
75% of firms paid more than	30.9	199.2	4,097
90% of firms paid more than	25.2	154.7	3,136
Mean or average payment	36.6%	267.6¢	$5,560

TABLE 3. Distribution of Employee Benefits as Percent of Payroll, by Industry Groups, 1979

Total employee benefits as percent of payroll	Total, all industries	Manufacturing industries															Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excl. mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
Under 18.0%	16	9	1	2	...	1	...	...	...	...	...	1	3	1	...	...	7	...	...	3	...	...	2	2
18.0-19.9	11	7	1	2	...	...	...	...	1	...	...	2	...	1	...	...	4	...	...	1	...	...	2	1
20.0-21.9	20	7	...	...	1	1	...	...	...	...	...	...	2	3	...	...	13	1	...	2	...	...	5	5
22.0-23.9	26	9	...	1	1	1	...	...	...	...	...	1	2	1	1	1	17	...	...	1	1	1	9	5
24.0-25.9	33	20	2	4	1	...	...	...	3	...	1	1	3	1	1	3	13	1	...	...	...	...	8	4
26.0-27.9	52	33	2	7	1	2	2	...	2	...	2	3	5	4	1	2	19	2	2	2	...	1	6	6
28.0-29.9	51	25	...	...	3	2	...	...	1	3	...	4	6	3	2	1	26	2	1	2	3	4	9	5
30.0-31.9	85	45	4	3	1	2	2	...	2	3	1	4	11	5	4	3	40	4	2	3	5	3	12	11
32.0-33.9	80	44	1	4	4	3	1	...	2	3	2	10	8	3	1	2	36	9	...	3	3	12	5	4
34.0-35.9	93	59	2	1	4	6	3	1	2	2	1	14	9	6	5	3	34	10	...	2	4	8	3	7
36.0-37.9	81	47	5	...	2	2	2	...	1	5	4	7	6	4	3	6	34	14	1	5	5	6	1	2
38.0-39.9	76	39	...	3	1	4	1	3	4	...	4	4	6	3	3	3	37	12	...	...	4	13	4	4
40.0-41.9	71	45	4	...	2	2	3	2	2	4	4	2	7	5	3	5	26	12	1	...	4	4	1	4
42.0-43.9	53	31	4	1	2	3	2	1	...	1	2	6	3	4	1	1	22	11	...	1	4	3	...	3
44.0-45.9	41	23	4	...	1	...	2	...	2	1	3	3	2	3	2	...	18	10	...	...	5	2	...	1
46.0-47.9	41	15	2	...	...	...	4	1	...	...	1	1	2	3	...	1	26	14	...	...	5	4	...	3
48.0-49.9	20	14	...	1	...	...	4	1	2	...	2	...	1	3	...	...	6	2	...	...	1	3	...	...
50.0-54.9	41	28	2	...	2	2	1	3	...	1	1	2	8	2	2	2	13	5	...	...	2	6	...	...
55.0-59.9	18	14	...	...	...	...	2	...	...	...	3	2	2	2	2	1	4	2	...	...	1	...	...	1
60.0-64.9	8	6	...	...	1	...	...	...	...	...	2	2	1	...	...	...	2	1	...	...	...	...	...	1
65.0 and over	5	3	...	...	...	...	1	...	...	...	1	...	1	...	...	...	2	1	...	...	...	...	...	1
Total companies	922	523	34	29	27	31	30	12	24	23	34	69	88	57	31	34	399	113	7	25	47	70	67	70
50% of companies paid more than	35.9	36.2	37.8	27.7	35.0	35.3	43.5	43.0	35.5	36.4	41.3	35.3	35.0	36.5	36.7	36.8	35.5	40.3	31.0	31.3	39.5	36.1	28.4	31.4

*Includes research, engineering, education, government agencies, mining, construction, etc.

4. AVERAGE BENEFIT PAYMENTS

Employee benefit payments in 1979 averaged 36.6 percent of payroll for all companies. Included were:

Legally required payments (employer's share only)	9.0%
Pension, insurance, and other agreed-upon payments (employer's share only)	12.1%
Paid rest periods, lunch periods, etc.	3.5%
Payments for vacations, holidays, sick leave, etc.	9.5%
Profit-sharing payments, bonuses, etc.	2.5%
Total	36.6%

As shown in Table 4, the manufacturing companies averaged 37.2 percent, somewhat more than the all-company average, while the nonmanufacturing companies averaged 35.7 percent.

Manufacturing firms had higher benefit payments for Old-Age, Survivors, Disability, and Health Insurance (FICA taxes), Unemployment Compensation, workers' compensation, nongovernment insurance, and paid holidays.

Nonmanufacturing firms had higher payments for nongovernment pensions, vacations, sick leave, employee meals furnished free, and discounts on goods and services purchased from the company.

TABLE 4. Employee Benefits, by Type of Benefit, 1979

Type of benefit	Total, all companies	Total, all manufacturing	Total, all nonmanufacturing
Total employee benefits as percent of payroll	36.6	37.2	35.7
1. Legally required payments (employer's share only)	9.0	10.1	7.6
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	5.8	5.9	5.6
b. Unemployment Compensation	1.5	1.9	1.0
c. Workers' compensation (including estimated cost of self-insured)	1.7	2.3	0.9
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.**	*	*	0.1
2. Pension, insurance, and other agreed-upon payments (employer's share only)	12.1	12.1	12.1
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	5.4	4.7	6.4
b. Life insurance premiums; death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	5.7	6.6	4.4
c. Salary continuation or long term disability	0.3	0.3	0.3
d. Dental insurance premiums	0.3	0.3	0.2
e. Discounts on goods and services purchased from company by employees	0.1	*	0.2
f. Employee meals furnished by company	0.1	*	0.3
g. Miscellaneous payments (compensation payments in excess of legal requirements, separation or termination pay allowances, moving expenses, etc.)	0.2	0.2	0.3
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	3.5	3.6	3.4
4. Payments for time not worked	9.5	8.8	10.2
a. Paid vacations and payments in lieu of vacation	4.7	4.5	4.8
b. Payments for holidays not worked	3.2	3.2	3.1
c. Paid sick leave	1.2	0.8	1.8
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	0.4	0.3	0.5
5. Other items	2.5	2.6	2.4
a. Profit-sharing payments	1.4	1.6	1.2
b. Contributions to employee thrift plans	0.3	0.2	0.4
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	0.4	0.5	0.3
d. Employee education expenditures (tuition refunds, etc.)	0.2	0.1	0.3
e. Special wage payments ordered by courts, payments to union stewards, etc.	0.2	0.2	0.2
Total employee benefits as cents per payroll hour	267.6	267.1	268.2
Total employee benefits as dollars per year per employee	5,560	5,605	5,501

Less than 0.05%

***Figure shown is considerably less than legal rate, because most reporting companies had only a small proportion of employees covered by tax.*

5. INDUSTRY VARIATIONS

Employee benefit payments varied widely from industry to industry. The petroleum industry paid 44.5 percent, followed by the chemicals and allied products industry paying 43.1 percent, and the primary metal industries paying 43 percent. Hospitals paid only 28.2 percent, and textile products and apparel paid 29.2 percent.

Expressed as cents per payroll hour, payments ranged from 432.7 cents for the petroleum industry to 150.4 cents for textile products and apparel. Annual dollars per year per employee varied from $9,125 for the petroleum industry to $3,034 for department stores.

Additional summary data on benefit payments by industries are shown in Table 5 and Chart 1.

More complete details regarding benefits as percent of payroll, cents per payroll hour, and dollars per employee are shown in Tables 6, 7, and 8.

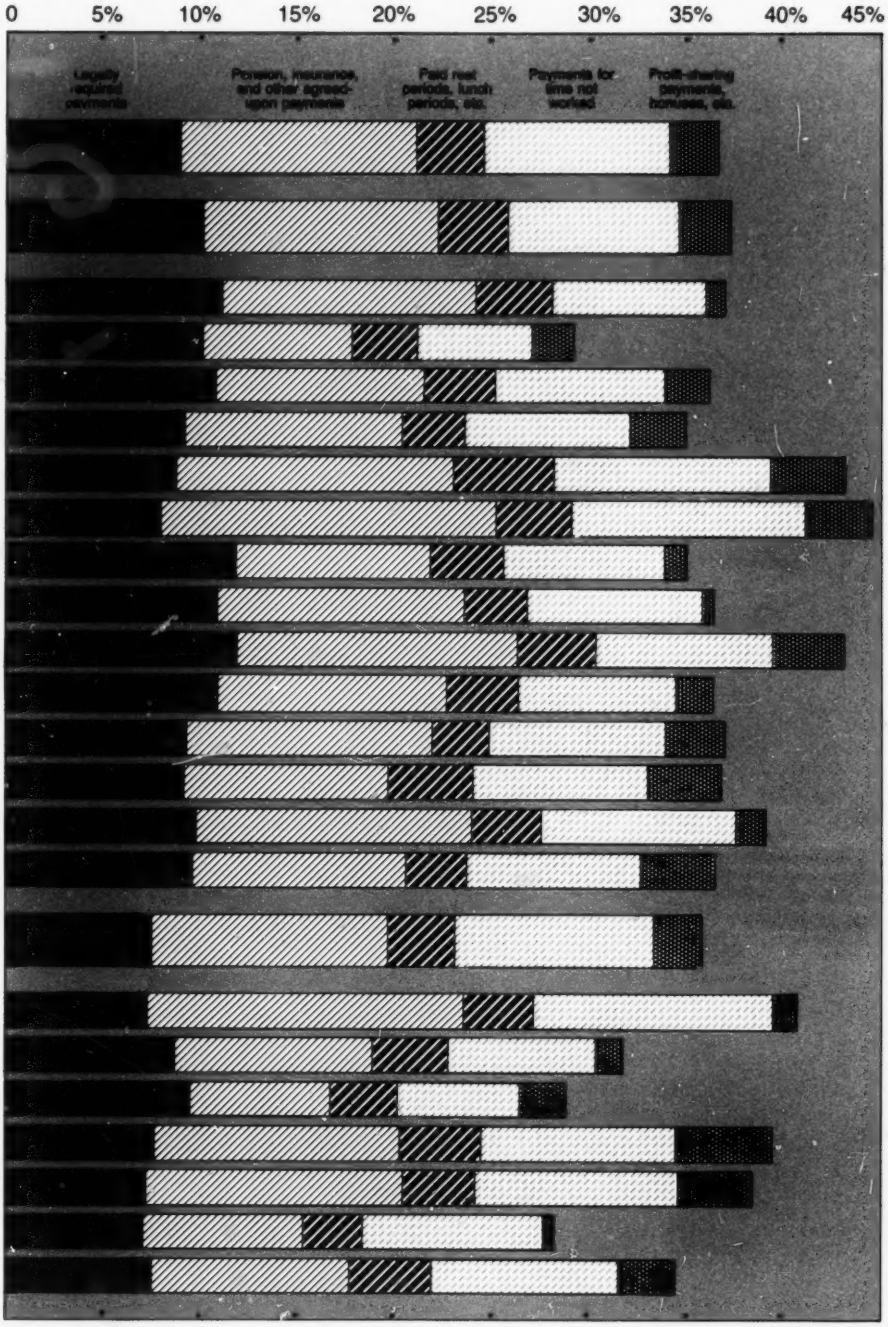
TABLE 5. Major Types of Employee Benefits, by Industry Groups, 1979

Industry group	Employee benefits as percent of payroll						Total employee benefits as cents per payroll hour	Total employee benefits as dollars per year per employee	Number of companies
	Total, all employee benefits	Legally required payments (employer's share only)	Pension, insurance, and other agreed-upon payments (employer's share only)	Paid rest periods, lunch periods, etc.	Payment for time not worked	Profit-sharing payments, bonuses, etc.			
Total, all industries	36.6	9.0	12.1	3.5	9.5	2.5	267.6	5,560	922
Total, all manufacturing	37.2	10.1	12.1	3.6	8.8	2.6	267.1	5,605	523
Manufacture of:									
Food, beverages, and tobacco	36.9	11.2	13.0	3.8	8.0	0.9	247.8	5,193	34
Textile products and apparel	29.2	10.1	7.7	3.3	5.9	2.2	150.4	3,098	29
Pulp, paper, lumber, and furniture	36.1	10.8	10.7	3.7	8.6	2.3	242.8	5,062	27
Printing and publishing	35.0	9.2	11.1	3.3	8.4	3.0	257.2	5,114	31
Chemicals and allied products	43.1	8.8	14.2	5.3	11.0	3.8	340.1	7,061	30
Petroleum industry	44.5	8.0	17.2	3.9	12.0	3.4	432.7	9,125	12
Rubber, leather, and plastic products	35.0	11.9	10.0	3.7	8.2	1.2	223.1	4,611	24
Stone, clay, and glass products	36.4	11.0	12.6	3.2	9.0	0.6	246.9	5,249	23
Primary metal industries	43.0	11.9	14.5	4.0	9.1	3.5	314.4	6,575	34
Fabricated metal products (excluding machinery and transportation equipment)	36.4	11.0	11.6	3.6	8.2	2.0	248.3	5,324	69
Machinery (excluding electrical)	36.9	9.4	12.5	3.0	9.0	3.0	276.0	5,919	88
Electrical machinery, equipment, and supplies	36.7	9.2	10.6	4.2	9.3	3.4	269.3	5,554	57
Transportation equipment	39.0	9.8	14.1	3.6	10.0	1.5	315.7	6,665	31
Instruments and miscellaneous manufacturing industries	36.4	9.6	11.0	3.1	8.8	3.9	250.8	5,252	34
Total, all nonmanufacturing	35.7	7.6	12.1	3.4	10.2	2.4	268.2	5,501	399
Public utilities (electric, gas, water, telephone, etc.)	40.6	7.4	16.1	3.6	12.3	1.2	356.4	7,466	113
Department stores	31.7	8.7	10.2	3.8	7.6	1.4	156.0	3,034	7
Trade (wholesale and other retail)	28.8	9.5	7.2	3.5	6.3	2.3	184.7	3,857	25
Banks, finance companies, and trust companies	39.4	7.7	12.6	4.1	10.0	5.0	258.0	5,277	47
Insurance companies	38.3	7.3	13.1	3.7	10.4	3.8	267.0	5,268	70
Hospitals	28.2	7.1	8.2	3.1	9.3	0.5	162.6	3,359	67
Miscellaneous nonmanufacturing industries*	34.4	7.6	10.1	4.1	9.7	2.9	285.8	5,775	70

*Includes research, engineering, education, government agencies, mining, construction, etc.

CHART 1. Employee Benefits as Percent of Payroll, by Industry Groups, 922 Companies, 1979

Industry group	Percent of payroll
Total, all industries	36.6
Total, all manufacturing	37.2
Manufacture of:	
Food, beverages, and tobacco	36.9
Textile products and apparel	29.2
Pulp, paper, lumber, and furniture	36.1
Printing and publishing	35.0
Chemicals and allied products	43.1
Petroleum industry	44.5
Rubber, leather, and plastic products	35.0
Stone, clay, and glass products	36.4
Primary metal industries	43.0
Fabricated metal products	36.4
Machinery (excluding electrical)	36.9
Electrical machinery, equipment, and supplies	36.7
Transportation equipment	39.0
Instruments and miscellaneous manufacturing industries	36.4
Total, all nonmanufacturing	35.7
Public utilities (electric, gas, water, telephone, etc.)	40.6
Department stores	31.7
Trade (wholesale and other retail)	28.8
Banks, finance companies, and trust companies	39.4
Insurance companies	38.3
Hospitals	28.2
Miscellaneous nonmanufacturing industries*	34.4



*Includes research, engineering, education, government agencies, mining, construction, etc.

TABLE 6. Employee Benefits as Percent of Payroll, by Type of Benefit and Industry Groups, 1979

Type of benefit	Total, all industries	Manufacturing industries															Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excl. mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
Total employee benefits as percent of payroll	36.6	37.2	36.9	29.2	36.1	35.0	43.1	44.5	35.0	36.4	43.0	36.4	36.9	36.7	39.0	36.4	35.7	40.6	31.7	28.8	39.4	38.3	28.2	34.4
1. Legally required payments (employer's share only)	9.0	10.1	11.2	10.1	10.8	9.2	8.8	8.0	11.9	11.0	11.9	11.0	9.4	9.2	9.8	9.6	7.6	7.4	8.7	9.5	7.7	7.3	7.1	7.6
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	5.8	5.9	5.9	6.0	6.0	5.8	5.8	5.5	6.0	5.9	5.9	5.9	5.9	5.9	5.9	5.8	5.6	5.7	5.8	5.9	5.7	5.7	5.8	5.3
b. Unemployment Compensation	1.5	1.9	1.9	2.5	1.7	2.3	1.3	0.8	2.3	1.8	1.9	2.0	1.5	2.0	1.9	2.1	1.0	0.8	2.2	1.7	1.6	1.3	0.3	1.0
c. Workers' compensation (including estimated cost of self-insured)	1.7	2.3	3.3	1.6	3.0	1.0	1.7	1.7	3.6	3.2	4.1	3.1	1.9	1.3	2.0	1.6	0.9	0.9	0.7	1.8	0.3	0.3	0.9	1.3
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.**	***	***	0.1	***	0.1	0.1	***	***	***	0.1	***	***	0.1	***	***	0.1	0.1	***	***	0.1	0.1	***	0.1	***
2. Pension, insurance, and other agreed-upon payments (employer's share only)	12.1	12.1	13.0	7.7	10.7	11.1	14.2	17.2	10.0	12.6	14.5	11.6	12.5	10.6	14.1	11.0	12.1	16.1	10.2	7.2	12.6	13.1	8.2	10.1
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	5.4	4.7	5.9	2.0	4.1	5.0	6.4	11.1	3.3	5.2	5.7	4.1	4.8	3.7	4.9	4.5	6.4	9.8	2.7	2.2	6.4	7.1	3.5	4.8
b. Life insurance premiums; death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	5.7	6.6	6.4	5.3	5.9	5.4	6.6	5.5	6.0	6.7	7.9	6.8	6.7	5.9	8.1	5.7	4.4	5.2	3.0	4.1	4.9	4.3	3.6	4.1
c. Salary continuation or long term disability	0.3	0.3	0.3	0.1	0.3	0.3	0.5	0.1	0.2	0.2	0.2	0.2	0.3	0.4	0.2	0.3	0.3	0.4	0.3	0.3	0.3	0.4	0.2	0.3
d. Dental insurance premiums	0.3	0.3	0.3	0.1	0.1	0.2	0.4	0.2	0.1	0.4	0.5	0.3	0.3	0.4	0.4	0.3	0.2	0.2	0.1	0.1	0.3	0.2	0.1	0.2
e. Discounts on goods and services purchased from company by employees	0.1	***	***	0.1	***	***	***	***	0.1	***	***	***	***	***	0.1	***	0.2	0.1	4.1	0.3	0.1	***	0.3	0.1
f. Employee meals furnished by company	0.1	***	***	***	***	***	0.1	0.1	0.1	***	***	0.1	0.1	0.1	***	0.1	0.3	0.1	***	0.2	0.4	0.7	0.3	0.1
g. Miscellaneous payments (compensation payments in excess of legal requirements, separation or termination pay allowances, moving expenses, etc.)	0.2	0.2	0.1	0.1	0.3	0.2	0.2	0.2	0.2	0.1	0.2	0.1	0.3	0.1	0.4	0.1	0.3	0.3	***	***	0.2	0.4	0.2	0.5
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	3.5	3.6	3.8	3.3	3.7	3.3	5.3	3.9	3.7	3.2	4.0	3.6	3.0	4.2	3.6	3.1	3.4	3.6	3.8	3.5	4.1	3.7	3.1	4.1
4. Payments for time not worked	9.5	8.8	8.0	5.9	8.6	8.4	11.0	12.0	8.2	9.0	9.1	8.2	9.0	9.3	10.0	8.8	10.2	12.3	7.6	6.3	10.0	10.4	9.3	9.7
a. Paid vacations and payments in lieu of vacation	4.7	4.5	4.2	3.1	4.7	4.4	5.5	6.4	4.5	4.8	5.0	4.4	4.6	4.7	4.9	4.4	4.8	5.7	3.8	3.1	4.6	4.8	4.4	4.6
b. Payments for holidays not worked	3.2	3.2	2.8	2.3	3.0	2.6	3.6	3.3	3.0	3.2	3.2	3.3	3.5	3.4	3.9	2.9	3.1	3.5	2.6	2.3	3.4	3.6	2.5	2.9
c. Paid sick leave	1.2	0.8	0.8	0.4	0.6	1.1	1.5	2.0	0.5	0.8	0.5	0.4	0.6	0.9	0.9	1.2	1.8	2.1	1.0	0.8	1.7	1.7	2.0	1.8
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	0.4	0.3	0.2	0.1	0.3	0.3	0.4	0.3	0.2	0.2	0.4	0.1	0.3	0.3	0.3	0.3	0.5	1.0	0.2	0.1	0.3	0.3	0.4	0.4
5. Other items	2.5	2.6	0.9	2.2	2.3	3.0	3.8	3.4	1.2	0.6	3.5	2.0	3.0	3.4	1.5	3.9	2.4	1.2	1.4	2.3	5.0	3.8	0.5	2.9
a. Profit-sharing payments	1.4	1.6	0.4	1.3	1.0	1.9	1.8	1.1	0.8	0.2	2.7	1.2	2.2	2.2	0.8	2.7	1.2	***	1.3	1.7	3.7	2.1	0.1	1.5
b. Contributions to employee thrift plans	0.3	0.2	***	0.1	0.1	0.3	1.0	1.8	0.1	0.1	0.2	0.1	0.1	0.1	0.3	0.2	0.4	0.7	***	***	0.3	0.6	***	0.2
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	0.4	0.5	0.3	0.6	1.0	0.7	0.6	0.2	0.2	0.2	0.3	0.4	0.5	0.8	0.1	0.7	0.3	0.1	0.1	0.4	0.3	0.5	0.1	0.8
d. Employee education expenditures (tuition refunds, etc.)	0.2	0.1	***	***	***	0.1	0.1	0.1	***	0.1	0.1	***	0.1	0.1	0.1	0.2	0.3	0.1	***	0.1	0.6	0.3	0.3	0.3
e. Special wage payments ordered by courts, payments to union stewards, etc.	0.2	0.2	0.2	0.2	0.2	***	0.3	0.2	0.1	***	0.2	0.3	0.1	0.2	0.2	0.1	0.2	0.3	***	0.1	0.1	0.3	***	0.1

*Includes research, engineering, education, government agencies, mining, construction, etc.
**Figure is considerably less than legal rate because most reporting companies had only a small proportion of employees covered by tax.
***Less than 0.05%.

TABLE 7. Employee Benefits as Cents per Payroll Hour, by Type of Benefit and Industry Groups, 1979

Type of benefit	Total, all industries	Manufacturing industries															Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excl. mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
Total employee benefits as cents per payroll hour	267.6	267.1	247.8	150.4	242.8	257.2	340.1	432.7	223.1	246.9	314.4	248.3	276.0	269.3	315.7	250.8	268.2	356.4	156.0	184.7	258.0	267.0	162.6	285.8
1. Legally required payments (employer's share only)	65.8	72.6	75.0	51.9	71.7	66.6	69.7	78.3	76.3	74.8	87.2	74.9	69.9	67.7	78.6	65.5	56.9	64.6	43.3	60.8	50.2	51.5	40.8	63.1
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	42.3	42.2	39.5	30.7	40.3	42.4	46.0	53.8	38.1	40.0	43.4	40.3	43.9	43.0	47.5	39.9	42.5	49.6	28.5	37.8	37.6	39.8	33.2	43.8
b. Unemployment Compensation	11.0	13.4	12.4	12.8	11.1	16.7	10.3	7.5	14.8	12.5	13.9	13.7	11.3	14.8	15.2	14.2	7.7	7.2	11.0	11.0	10.4	9.1	1.9	8.5
c. Workers' compensation (including estimated cost of self-insured)	12.2	16.6	22.2	8.2	19.9	7.1	13.3	17.0	23.1	21.9	29.9	20.8	14.2	9.7	15.8	10.8	6.4	7.6	3.7	11.6	1.8	2.3	5.4	10.7
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.**	0.3	0.4	0.9	0.2	0.4	0.4	0.1	***	0.3	0.4	***	0.1	0.5	0.2	0.1	0.6	0.3	0.2	0.1	0.4	0.4	0.3	0.3	0.1
2. Pension, insurance, and other agreed-upon payments (employer's share only)	88.7	86.9	87.9	39.8	72.4	82.3	111.8	167.8	63.4	86.3	106.3	79.0	93.5	77.7	114.1	75.6	91.2	141.5	50.3	46.6	82.5	91.2	47.2	83.7
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	39.7	33.7	39.3	10.2	27.6	37.1	50.2	108.2	21.0	35.4	41.6	28.2	36.1	26.9	39.6	30.9	48.2	86.3	13.4	14.2	41.7	49.5	20.0	39.9
b. Life insurance premiums; death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	41.5	47.2	43.2	27.5	39.5	39.7	52.1	53.7	38.1	45.7	58.0	46.2	50.1	43.6	65.6	39.4	33.3	45.4	14.7	26.4	32.4	29.8	20.8	34.6
c. Salary continuation or long term disability	2.1	2.0	2.0	0.7	2.3	2.4	3.7	1.4	1.4	1.2	1.3	1.6	2.5	2.9	1.7	1.9	2.4	3.2	1.5	1.8	2.3	2.8	1.3	2.2
d. Dental insurance premiums	1.9	2.2	2.1	0.5	0.7	1.6	3.3	1.9	0.6	2.7	3.8	1.8	2.3	2.9	3.4	1.8	1.6	2.1	0.5	0.8	1.7	1.3	0.7	1.6
e. Discounts on goods and services purchased from company by employees	0.7	0.2	0.2	0.4	0.2	0.3	***	0.4	0.6	0.3	***	***	0.1	0.2	0.6	0.2	1.3	1.1	20.0	1.7	0.4	0.3	1.5	0.5
f. Employee meals furnished by company	1.1	0.3	0.1	***	0.2	***	1.0	0.3	0.5	0.1	0.2	0.4	0.4	0.6	0.1	0.4	2.2	1.2	***	1.5	2.6	4.8	2.0	0.5
g. Miscellaneous payments (compensation payments in excess of legal requirements, separation or termination pay allowances, moving expenses, etc.)	1.7	1.3	1.0	0.5	1.9	1.2	1.5	1.9	1.2	0.9	1.4	0.8	2.0	0.6	3.1	1.0	2.2	2.2	0.2	0.2	1.4	2.7	0.9	4.4
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	26.0	26.2	25.6	17.2	24.6	24.5	41.5	38.1	23.4	21.7	29.3	24.3	22.9	31.0	29.3	21.4	25.5	31.8	18.7	22.2	26.9	26.0	17.9	34.4
4. Payments for time not worked	69.0	63.1	52.7	30.1	58.0	61.9	86.6	116.2	52.4	60.5	66.7	56.4	67.4	68.6	81.1	60.8	77.0	107.1	36.6	40.4	65.8	72.0	53.6	81.2
a. Paid vacations and payments in lieu of vacation	34.1	32.7	27.8	15.7	31.8	32.5	43.0	61.9	28.5	32.2	36.9	29.8	34.5	34.9	39.7	30.4	36.0	49.6	18.6	19.6	30.0	33.3	25.4	38.7
b. Payments for holidays not worked	23.2	23.0	18.5	11.8	20.0	19.1	28.7	31.7	19.4	21.4	23.5	22.8	26.2	25.0	31.7	19.9	23.4	30.4	12.5	14.7	22.5	24.9	14.3	24.0
c. Paid sick leave	9.0	5.6	5.4	2.0	3.9	8.0	12.1	19.5	3.4	5.3	3.7	2.8	4.6	6.7	7.5	8.2	13.8	18.8	4.8	5.4	11.2	11.7	11.5	15.3
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	2.7	1.8	1.0	0.6	2.3	2.3	2.8	3.1	1.1	1.6	2.6	1.0	2.1	2.0	2.2	2.3	3.8	8.3	0.7	0.7	2.1	2.1	2.4	3.2
5. Other items	18.1	18.3	6.6	11.4	16.1	21.9	30.5	32.3	7.6	3.6	24.9	13.7	22.3	24.3	12.6	27.5	17.6	11.4	7.1	14.7	32.6	26.3	3.1	23.4
a. Profit-sharing payments	10.4	11.5	3.0	6.5	6.9	14.0	14.4	10.3	5.2	1.0	19.5	8.0	16.6	16.0	6.7	18.9	8.9	0.2	6.8	10.9	24.1	14.7	0.4	12.4
b. Contributions to employee thrift plans	2.1	1.5	0.3	0.8	0.7	1.9	8.1	17.4	0.4	0.4	1.3	0.4	0.5	0.5	2.7	1.5	2.9	6.5	***	0.2	1.8	4.1	***	1.7
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	3.1	3.5	1.8	2.9	6.8	5.1	5.0	1.8	1.1	1.5	2.2	2.9	3.5	5.5	1.1	5.0	2.4	1.0	0.3	2.5	1.8	3.3	0.6	6.3
d. Employee education expenditures (tuition refunds, etc.)	1.2	0.5	0.1	0.1	0.3	0.7	0.7	1.2	0.2	0.6	0.6	0.3	0.7	0.7	0.6	1.1	2.1	1.2	***	0.7	4.0	2.2	1.9	2.5
e. Special wage payments ordered by courts, payments to union stewards, etc.	1.3	1.3	1.4	1.1	1.4	0.2	2.3	1.6	0.7	0.1	1.3	2.1	1.0	1.6	1.5	1.0	1.3	2.5	***	0.4	0.9	2.0	0.2	0.5

*Includes research, engineering, education, government agencies, mining, construction, etc.
**Figure is considerably less than legal rate, because most reporting companies had only a small proportion of employees covered by tax.
***Less than 0.05¢.

TABLE 8. Employee Benefits as Dollars per Year per Employee, by Type of Benefit and Industry Groups, 1979

Type of benefit	Total, all industries	Manufacturing industries															Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excl. mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
Total employee benefits as dollars per year per employee	5,560	5,605	5,193	3,098	5,062	5,114	7,061	9,125	4,611	5,249	5,575	5,324	5,919	5,554	6,665	5,252	5,501	7,466	3,034	3,857	5,277	5,268	3,359	5,775
1. Legally required payments (employer's share only)	1,368	1,522	1,573	1,068	1,497	1,327	1,446	1,651	1,578	1,591	1,822	1,605	1,502	1,398	1,660	1,370	1,165	1,354	842	1,269	1,028	1,015	844	1,270
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	877	886	827	632	841	844	955	1,134	788	852	907	863	944	888	1,003	835	870	1,040	555	790	768	786	686	882
b. Unemployment Compensation	229	282	261	264	232	333	213	158	306	265	290	293	242	307	320	296	158	151	213	229	214	179	40	172
c. Workers' compensation (including estimated cost of self-insured)	255	347	465	168	415	141	276	357	477	466	625	446	305	199	334	226	131	158	71	242	37	45	111	215
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.**	7	7	20	4	9	9	2	2	7	8	***	3	11	4	3	13	6	5	3	8	9	5	7	1
2. Pension, insurance, and other agreed-upon payments (employer's share only)	1,844	1,826	1,840	822	1,507	1,637	2,234	3,546	1,310	1,834	2,226	1,692	2,003	1,602	2,408	1,586	1,871	2,962	973	973	1,686	1,801	974	1,679
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	825	707	824	210	575	737	1,043	2,279	433	753	872	603	774	556	836	648	987	1,808	259	297	852	977	413	803
b. Life insurance premiums; death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	861	992	903	567	824	790	1,082	1,132	788	972	1,214	990	1,074	900	1,385	826	685	950	285	553	661	588	429	695
c. Salary continuation or long term disability	46	43	41	14	48	48	76	30	29	26	27	34	53	60	36	40	49	67	28	36	47	56	26	43
d. Dental insurance premiums	40	45	45	10	14	32	69	41	13	57	79	39	50	59	71	38	33	43	9	17	35	26	15	31
e. Discounts on goods and services purchased from company by employees	14	4	4	9	3	6	1	7	12	6	***	1	1	4	13	5	27	22	388	34	9	6	30	10
f. Employee meals furnished by company	23	7	2	1	4	***	21	18	11	1	5	8	8	12	2	9	44	26	***	32	53	94	41	10
g. Miscellaneous payments (compensation payments in excess of legal requirements, separation or termination pay allowances, moving expenses, etc.)	35	28	21	11	39	24	32	39	24	19	29	17	43	11	65	20	46	46	4	4	29	54	20	87
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	539	549	536	354	514	484	861	803	484	462	613	522	490	640	618	447	524	666	365	465	550	513	371	693
4. Payments for time not worked	1,434	1,323	1,107	618	1,209	1,231	1,797	2,448	1,082	1,287	1,395	1,209	1,444	1,412	1,713	1,273	1,580	2,245	715	945	1,346	1,421	1,106	1,633
a. Paid vacations and payments in-lieu of vacation	710	685	584	324	664	647	893	1,303	588	685	772	639	740	717	837	637	739	1,039	363	410	613	658	524	778
b. Payments for holidays not worked	482	483	388	242	417	380	596	669	400	455	492	489	562	516	670	416	481	637	244	308	461	490	296	482
c. Paid sick leave	187	117	114	40	81	158	251	411	71	113	77	60	98	137	159	172	282	394	94	112	229	232	237	308
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	55	38	21	12	47	46	57	65	23	34	54	21	44	42	47	48	78	175	14	15	43	41	49	65
5. Other items	375	385	137	236	335	435	633	677	157	75	519	296	480	502	266	576	361	239	139	305	667	518	64	500
a. Profit-sharing payments	216	241	63	134	144	280	299	216	107	22	407	172	356	329	141	397	183	5	132	227	492	290	8	280
b. Contributions to employee thrift plans	43	31	6	16	15	37	167	367	8	8	26	9	11	11	56	31	59	136	***	5	37	81	1	33
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	64	74	37	60	142	101	104	37	24	31	46	62	76	114	23	104	50	20	7	52	37	64	12	127
d. Employee education expenditures (tuition refunds, etc.)	25	11	1	3	6	13	14	24	3	12	13	7	15	15	13	24	43	26	***	13	83	44	39	50
e. Special wage payments ordered by courts, payments to union stewards, etc.	27	28	30	23	28	4	49	33	15	2	27	46	22	33	33	20	26	52	***	8	18	39	4	10

*Includes research, engineering, education, government agencies, mining, construction, etc.
**Figure is considerably less than legal rate, because most reporting companies had only a small proportion of employees covered by tax.
***Less than 50¢.

6. REGIONAL VARIATIONS

Benefit payments by region for the various industry groups are shown in Table 9. The regions are based upon United States Bureau of the Census divisions. States comprising each region are listed in a footnote following the table. If fewer than three companies reported, no figure is shown.

For all industries, payments averaged 38.1 percent of payroll in the Northeastern region, followed by 37.9 percent in the East North Central Region.

The Western Region averaged 35.2 percent, and the Southeastern region averaged 33.9 percent.

TABLE 9. Employee Benefits as Percent of Payroll, by Region and Industry Groups, 1979

Industry group	Total, all regions*	Northeast*	East North Central	Southeast*	West*
Total, all industries	36.6	38.1	37.9	33.9	35.2
Total, all manufacturing	37.2	38.1	38.8	33.3	35.5
Manufacture of:					
Food, beverages, and tobacco	36.9	37.9	35.2	35.0	38.9
Textile products and apparel	29.2	32.8	35.3	26.7	**
Pulp, paper, lumber, and furniture	36.1	38.8	33.5	34.8	38.1
Printing and publishing	35.0	35.9	31.7	33.9	36.2
Chemicals and allied products	43.1	44.1	46.3	38.7	37.8
Petroleum industry	44.5	**	**	41.7	45.6
Rubber, leather, and plastic products	35.0	32.0	41.0	33.0	**
Stone, clay, and glass products	36.4	39.0	35.1	34.4	36.5
Primary metal industries	43.0	43.7	42.8	41.8	**
Fabricated metal products (excluding machinery and transportation equipment)	36.4	39.9	37.4	32.7	31.4
Machinery (excluding electrical)	36.9	34.5	39.9	31.3	34.9
Electrical machinery, equipment, and supplies	36.7	39.1	36.2	34.8	32.7
Transportation equipment	39.0	35.8	43.9	37.1	36.4
Instruments and miscellaneous manufacturing industries	36.4	39.8	38.1	32.1	30.1
Total, all nonmanufacturing	35.7	38.0	36.0	34.4	35.0
Public utilities (electric, gas, water, telephone, etc.)	40.6	43.2	40.7	39.5	39.7
Department stores	31.7	**	35.2	**	**
Trade (wholesale and other retail)	28.8	26.3	34.5	26.4	28.3
Banks, finance companies, and trust companies	39.4	43.4	39.4	38.5	37.0
Insurance companies	38.3	40.3	37.4	37.6	37.9
Hospitals	28.2	29.0	30.2	25.8	27.8
Miscellaneous nonmanufacturing industries***	34.4	35.0	30.8	31.7	34.1
Number of companies	922	248	268	192	214

States in each region are:

NORTHEAST: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

EAST NORTH CENTRAL: Illinois, Indiana, Michigan, Ohio, and Wisconsin.

SOUTHEAST: Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

WEST: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming.

***Fewer than three companies reporting.*

****Includes research, engineering, education, government agencies, mining, construction, etc.*

7. SIZE OF COMPANY VARIATIONS

Larger firms tended to pay higher benefits than smaller firms, as shown in Table 10.

Companies with 5,000 or more employees paid 40.5 percent for benefits, firms with 2,500 to 4,999 employees averaged 38.1 percent, and those employing 1,000 to 2,499 paid 37.5 percent. Companies with 500 to 999 employees paid 35.2 percent, and those employing under 500 averaged 35.1 percent.

TABLE 10. Employee Benefits as Percent of Payroll, by Size of Company and Industry Groups, 1979

Industry group	Total all companies	Number of employees				
		Under 500	500-999	1,000-2,499	2,500-4,999	5,000 and over
Total, all industries	36.6	35.1	35.2	37.5	38.1	40.5
Total, all manufacturing	37.2	35.1	36.5	39.7	39.8	42.5
Manufacture of:						
Food, beverages, and tobacco	36.9	33.8	40.0	49.0	38.9	*
Textile products and apparel	29.2	31.9	28.1	*	26.4	24.8
Pulp, paper, lumber, and furniture	36.1	34.2	*	42.8	*	38.5
Printing and publishing	35.0	34.8	31.3	38.0	*	*
Chemicals and allied products	43.1	39.3	39.6		44.3	49.7
Petroleum industry	44.5	44.5	*	*	*	45.4
Rubber, leather, and plastic products	35.0	33.8	*	*	*	*
Stone, clay, and glass products	36.4	36.9	34.5	*	*	*
Primary metal industries	43.0	40.9	41.4	46.9	49.2	*
Fabricated metal products (excluding machinery and transportation equipment)	36.4	36.7	34.5	39.2	*	*
Machinery (excluding electrical)	36.9	33.3	36.8	42.6	43.2	46.3
Electrical machinery, equipment, and supplies	36.7	31.0	39.8	36.6	40.4	41.5
Transportation equipment	39.0	33.6	36.9	43.7	42.9	42.4
Instruments and miscellaneous manufacturing industries	36.4	35.1	38.8	31.4	*	43.7
Total, all nonmanufacturing	35.7	35.1	33.4	36.3	36.8	38.2
Public utilities (electric, gas, water, telephone, etc.)	40.6	41.6	40.3	40.8	39.3	41.7
Department stores	31.7	*	*	*	33.8	*
Trade (wholesale and other retail)	28.8	29.3	23.8	*	*	33.5
Banks, finance companies, and trust companies	39.4	39.7	39.8	38.4	33.5	41.2
Insurance companies	38.3	38.6	38.0	39.7	41.4	36.6
Hospitals	28.2	27.7	26.4	29.5	26.0	32.1
Miscellaneous nonmanufacturing industries**	34.4	33.0	26.9	35.6	37.2	*
Number of companies	922	383	169	169	90	111

Fewer than three companies reporting.

***Includes research, engineering, education, government agencies, mining, construction, etc.*

8. PENSION AND INSURANCE COSTS

Due to the wide interest in private pension and insurance programs, tabulations are included showing distributions of amounts paid by individual companies for these programs, and also average employee payroll deductions for pensions and insurance. Employer payments are net amounts after deducting any dividends or credits returned to the employer by the insurer.

As shown in Table 11, 127 firms, or 14 percent of those

TABLE 11. Pension* Payments, by Industry Groups, 1979

Industry group	Total companies in survey	Number of companies paying specified percent of payroll for pensions									Pension payments as percent of payroll				Average pension payments as percent of payroll for companies having pensions
		0%	0.1-1.9%	2.0-3.9%	4.0-5.9%	6.0-7.9%	8.0-9.9%	10.0-11.9%	12.0-13.9%	14.0% and over	Total	Premiums under insurance and annuity contracts	Payments to uninsured trusteed pension plans	Payments under unfunded pension plans	
Total, all industries	922	127	71	184	171	134	103	65	36	31	5.4	3.1	2.1	0.2	6.3
Total, all manufacturing	523	79	52	127	101	68	39	30	15	12	4.7	2.6	2.0	0.1	5.5
Manufacture of:															
Food, beverages, and tobacco	34	3	1	6	7	10	3	3	1	...	5.9	3.4	2.3	0.2	6.4
Textile products and apparel	29	9	6	10	3	...	1	...	...	...	2.0	1.1	0.8	0.1	2.9
Pulp, paper, lumber, and furniture	27	5	3	7	6	5	...	...	...	1	4.1	2.5	1.3	0.3	5.1
Printing and publishing	31	3	2	6	10	5	3	...	2	...	5.0	3.8	1.1	0.1	5.6
Chemicals and allied products	30	2	3	1	8	4	7	3	...	2	6.4	3.2	3.1	0.1	6.8
Petroleum industry	12	...	...	...	1	2	3	2	1	3	11.1	3.0	6.9	1.2	11.1
Rubber, leather, and plastic products	24	4	5	7	2	6	...	...	...	...	3.3	2.6	0.7	**	4.0
Stone, clay, and glass products	23	...	4	6	5	3	3	...	2	...	5.2	3.2	2.0	**	5.2
Primary metal industries	34	4	2	10	7	2	...	4	3	2	5.7	3.3	2.3	0.1	6.5
Fabricated metal products (excluding machinery and transportation equipment)	69	11	9	23	12	3	3	3	3	2	4.1	2.6	1.5	**	4.9
Machinery (excluding electrical)	88	13	8	22	14	14	6	8	2	1	4.8	2.2	2.3	0.3	5.7
Electrical machinery, equipment, and supplies	57	16	6	14	9	6	2	2	1	1	3.7	1.8	1.9	**	5.1
Transportation equipment	31	3	1	10	5	4	6	2	...	...	4.9	2.3	2.3	0.3	5.4
Instruments and miscellaneous manufacturing industries	34	6	2	5	12	4	2	3	...	...	4.5	2.5	1.9	0.1	5.5
Total, all nonmanufacturing	399	48	19	57	70	66	64	35	21	19	6.4	3.9	2.3	0.2	7.3
Public utilities (electric, gas, water, telephone, etc.)	113	1	...	2	13	24	31	16	11	15	9.8	5.8	3.8	0.2	9.9
Department stores	7	1	2	1	2	1	...	...	...	...	2.7	1.2	1.5	**	3.2
Trade (wholesale and other retail)	25	11	2	6	3	3	...	...	...	...	2.2	1.3	0.7	0.2	4.0
Banks, finance companies, and trust companies	47	2	1	5	12	14	5	6	2	...	6.4	3.0	2.8	0.6	6.6
Insurance companies	70	6	3	7	10	13	16	7	6	2	7.1	5.0	2.0	0.1	7.8
Hospitals	67	5	9	28	20	2	2	1	...	...	3.5	2.2	1.3	**	3.7
Miscellaneous nonmanufacturing industries***	70	22	2	8	10	9	10	5	2	2	4.8	3.0	1.7	0.1	6.9

*Includes net pension-plan premiums and pension payments not covered by insurance-type plan.

**Less than 0.05%.

***Includes research, engineering, education, government agencies, mining, construction, etc.

surveyed, reported no payments for private pensions, while 31 companies paid amounts for pensions equalling 14 percent or more of payroll. Pension payments for all companies surveyed averaged 5.4 percent of payroll (the figure shown in Tables 4 and 6), but if companies reporting no pension payments are omitted, the average becomes 6.3 percent of payroll.

The average pension payment of 5.4 percent included 3.1 percent for premiums under insurance or annuity contracts, 2.1 percent for payments to uninsured trusteed pension plans, and 0.2 percent for payments under unfunded pension plans.

Among the manufacturing industries 15 percent of the firms reported no pension payments, while among the nonmanufacturing firms 12 percent reported no pension payments. Eleven percent of the manufacturing firms paid 10 percent or more of payroll for pensions, while 19 percent of the nonmanufacturing firms paid 10 percent or more.

The distribution of insurance payments by industry groups is shown in Table 12. Payments for insurance were reported by all the firms. The most frequent amount paid for insurance was 4.0 to 5.9 percent of payroll. Fifty-three firms reported insurance payments amounting to 10 percent or more of payroll.

Insurance payments averaged 5.7 percent of payroll, including 0.7 percent for life insurance, 4.4 percent for health insurance, and 0.6 percent not separated between life and health, as shown in Table 13. Eighty-four percent of the companies reported payments for life insurance, 91 percent reported payments for health insurance, and 8 percent reported combined payments for life and health insurance.

Employee payroll deductions for private pension programs were reported by 15 percent of the companies, including 12 percent of those in manufacturing and 20 percent of the nonmanufacturing firms, as shown in Table 14. Deductions were reported by 36 percent of miscellaneous nonmanufacturing industry firms, but by none of the stone, clay, and glass products firms.

TABLE 12. Insurance* Payments, by Industry Groups, 1979

Industry group	Total companies in survey	Number of companies paying specified percent of payroll for insurance									Average insurance payments as percent of payroll	
		0%	0.1-1.9%	2.0-3.9%	4.0-5.9%	6.0-7.9%	8.0-9.9%	10.0-11.9%	12.0-13.9%	14.0% and over	All companies	Companies having insurance
Total, all industries	922	...	37	222	312	207	91	40	10	3	5.7	5.7
Total, all manufacturing	523	...	13	66	167	150	78	37	9	3	6.6	6.6
Manufacture of:												
Food, beverages, and tobacco	34	...	...	3	13	12	4	...	2	...	6.4	6.4
Textile products and apparel	29	...	4	7	9	4	1	3	...	1	5.3	5.3
Pulp, paper, lumber, and furniture	27	...	...	5	11	7	3	1	...	...	5.9	5.9
Printing and publishing	31	...	...	7	11	11	2	...	...	...	5.4	5.4
Chemicals and allied products	30	...	...	1	13	8	7	...	1	...	6.6	6.6
Petroleum industry	12	...	...	2	7	3	...	...	...	...	5.5	5.5
Rubber, leather, and plastic products	24	...	1	3	9	7	3	...	1	...	6.0	6.0
Stone, clay, and glass products	23	...	...	1	6	10	4	2	...	...	6.7	6.7
Primary metal industries	34	...	...	2	8	5	8	11	...	...	7.9	7.9
Fabricated metal products (excluding machinery and transportation equipment)	69	...	1	10	20	16	11	9	2	...	6.8	6.8
Machinery (excluding electrical)	88	...	3	7	25	33	11	8	1	...	6.7	6.7
Electrical machinery, equipment, and supplies	57	...	3	9	16	16	9	2	2	...	5.9	5.9
Transportation equipment	31	...	...	3	7	8	10	1	...	2	8.1	8.1
Instruments and miscellaneous manufacturing industries	34	...	1	6	12	10	5	...	...	...	5.7	5.7
Total, all nonmanufacturing	399	...	24	156	145	57	13	3	1	...	4.4	4.4
Public utilities (electric, gas, water, telephone, etc.)	113	...	2	22	58	27	4	...	...	...	5.2	5.2
Department stores	7	...	1	5	1	...	...	...	...	...	3.0	3.0
Trade (wholesale and other retail)	25	...	2	11	7	5	...	...	...	...	4.1	4.1
Banks, finance companies, and trust companies	47	...	2	14	21	6	2	2	...	...	4.9	4.9
Insurance companies	70	...	3	33	21	9	3	...	1	...	4.3	4.3
Hospitals	67	...	8	38	19	1	1	...	...	...	3.6	3.6
Miscellaneous nonmanufacturing industries**	70	...	6	33	18	9	3	1	...	...	4.1	4.1

*Includes net premiums paid for life, hospital, surgical, medical, and major medical insurance, plus death, surgical, and medical care payments not insured. Does not include sick leave pay.

**Includes research, engineering, education, government agencies, mining, construction, etc.

While deductions for pensions averaged 0.3 percent of payroll for all companies in the survey (as shown in Table 17), they averaged 1.8 percent of payroll for those companies having deductions.

Payroll deductions for insurance were reported by 68 percent of the companies, including 58 percent of the manufacturing firms and 80 percent of the nonmanufacturing firms. Deductions were reported by 92 percent of the insurance companies, but by only 38 percent of the fabricated metal products firms. Insurance deductions averaged 0.8 percent of payroll for all firms in the survey, but were 1.2 percent for those firms having deductions.

TABLE 13. Insurance Payments, by Type of Insurance, 1979

Industry group	Average insurance payments as percent of payroll, all companies				Percent of companies reporting insurance payments			Average for companies reporting specific type of insurance payments		
	Total	Life	Health	L&H*	Life	Health	L&H*	Life	Health	L&H*
Total, all industries	5.7	0.7	4.4	0.6	84	91	8	0.8	4.8	7.0
Total, all manufacturing	6.6	0.7	5.1	0.8	79	89	11	1.0	5.7	7.1
Manufacture of:										
Food, beverages, and tobacco	6.4	0.5	5.3	0.6	62	91	9	0.8	5.9	6.4
Textile products and apparel	5.3	0.5	4.5	0.3	79	93	7	0.6	4.9	4.6
Pulp, paper, lumber, and furniture	5.9	0.4	4.8	0.7	78	89	11	0.5	5.4	6.0
Printing and publishing	5.4	0.5	3.6	1.3	77	81	19	0.7	4.4	6.9
Chemicals and allied products	6.6	1.0	5.0	0.6	87	90	7	1.2	5.6	8.5
Petroleum industry	5.5	1.0	4.5	**	100	100	0	1.0	4.5	**
Rubber, leather, and plastic products	6.0	0.4	5.0	0.6	75	92	8	0.5	5.5	7.5
Stone, clay, and glass products	6.7	0.7	5.3	0.7	78	91	9	0.9	5.9	7.7
Primary metal industries	7.9	0.6	6.3	1.0	76	88	12	0.8	7.2	8.4
Fabricated metal products (excluding machinery and transportation equipment)	6.8	0.5	5.3	1.0	75	88	12	0.6	6.0	8.2
Machinery (excluding electrical)	6.7	0.7	5.3	0.7	86	91	9	0.8	5.8	8.2
Electrical machinery, equipment, and supplies	5.9	0.6	4.5	0.8	75	84	14	0.9	5.4	5.9
Transportation equipment	8.1	0.8	5.9	1.4	77	84	16	1.1	7.0	8.8
Instruments and miscellaneous manufacturing industries	5.7	0.5	4.6	0.6	91	91	9	0.6	5.1	6.6
Total, all nonmanufacturing	4.4	0.7	3.5	0.2	91	95	5	0.8	3.7	4.7
Public utilities (electric, gas, water, telephone, etc.)	5.2	1.0	4.1	0.1	96	97	2	1.0	4.2	4.6
Department stores	3.0	0.2	2.5	0.3	71	86	14	0.3	2.9	2.1
Trade (wholesale and other retail)	4.1	0.4	2.8	0.9	72	84	16	0.5	3.3	5.9
Banks, finance companies, and trust companies	4.9	0.9	3.6	0.4	91	89	9	1.0	4.1	4.7
Insurance companies	4.3	0.8	3.4	0.1	94	96	3	0.9	3.5	3.7
Hospitals	3.6	0.3	3.3	**	96	99	0	0.3	3.3	**
Miscellaneous nonmanufacturing industries***	4.1	0.6	3.1	0.4	80	90	9	0.7	3.5	4.9

Companies reporting one payment for both life and health insurance (items C-4 through C-7 of questionnaire).

***No companies reported this type of payment.*

****Includes research, engineering, education, government agencies, mining, construction, etc.*

TABLE 14. Employee Payroll Deductions for Pensions and Insurance, 1979

Industry group	Pensions			Insurance		
	Percent of companies reporting deductions	Average deductions as percent of payroll		Percent of companies reporting deductions	Average deductions as percent of payroll	
		Total, all companies	Companies having deductions		Total, all companies	Companies having deductions
Total, all industries	15	0.3	1.8	68	0.8	1.2
Total, all manufacturing	12	0.2	1.3	58	0.7	1.1
Manufacture of:						
Food, beverages, and tobacco	15	0.3	1.7	52	0.6	1.2
Textile products and apparel	17	0.2	1.4	83	1.6	1.9
Pulp, paper, lumber, and furniture	15	0.1	0.8	74	0.8	1.0
Printing and publishing	16	0.1	0.6	74	1.1	1.5
Chemicals and allied products	10	0.1	0.9	70	0.7	1.0
Petroleum industry	33	0.4	1.3	92	1.4	1.5
Rubber, leather, and plastic products	13	0.2	1.5	63	0.7	1.2
Stone, clay, and glass products	0	*	*	65	0.6	0.9
Primary metal industries	6	0.2	4.1	41	0.3	0.7
Fabricated metal products (excluding machinery and transportation equipment)	3	0.1	2.2	38	0.4	1.1
Machinery (excluding electrical)	13	0.1	0.8	46	0.4	0.9
Electrical machinery, equipment, and supplies	14	0.2	1.1	70	0.7	1.0
Transportation equipment	13	0.1	0.6	55	0.5	0.8
Instruments and miscellaneous manufacturing industries	12	0.2	2.0	61	0.8	0.8
Total, all nonmanufacturing	20	0.4	2.1	80	1.0	1.3
Public utilities (electric, gas, water, telephone, etc.)	18	0.3	1.7	80	1.0	1.3
Department stores	14	0.4	2.6	71	0.9	1.2
Trade (wholesale and other retail)	12	0.2	2.0	72	0.9	1.3
Banks, finance companies, and trust companies	9	0.2	2.1	74	1.1	1.5
Insurance companies	12	0.2	2.0	92	1.4	1.5
Hospitals	22	0.2	1.0	86	0.9	1.1
Miscellaneous nonmanufacturing industries**	36	1.2	3.3	72	0.9	1.3

*Less than 0.05%.

**Includes research, engineering, education, government agencies, mining, construction, etc.

9. PERCENT OF COMPANIES PAYING EMPLOYEE BENEFITS

Payments for Old-Age, Survivors, Disability, and Health Insurance (FICA taxes) were reported by 100 percent of the companies surveyed, and 99 percent of the companies reported payments for Unemployment Compensation (Table 15). Ninety-six percent reported payments for vacations, and 95 percent reported payments for holidays.

Paid sick leave was reported by 78 percent of the companies, including 65 percent of those in manufacturing and 96 percent of the nonmanufacturing firms. Profit-sharing payments were reported by 21 percent of the firms, including 49 percent of the banks, finance companies, and trust companies and 44 percent of the wholesale and retail trade firms, but by only two percent of the hospitals.

Average costs of benefit payments for companies reporting such payments are shown in Table 16. Payments for dental insurance, profit-sharing, contributions to employee thrift plans, and other benefits paid by a relatively small percentage of companies differ significantly in this table from the all-company averages shown in Table 6.

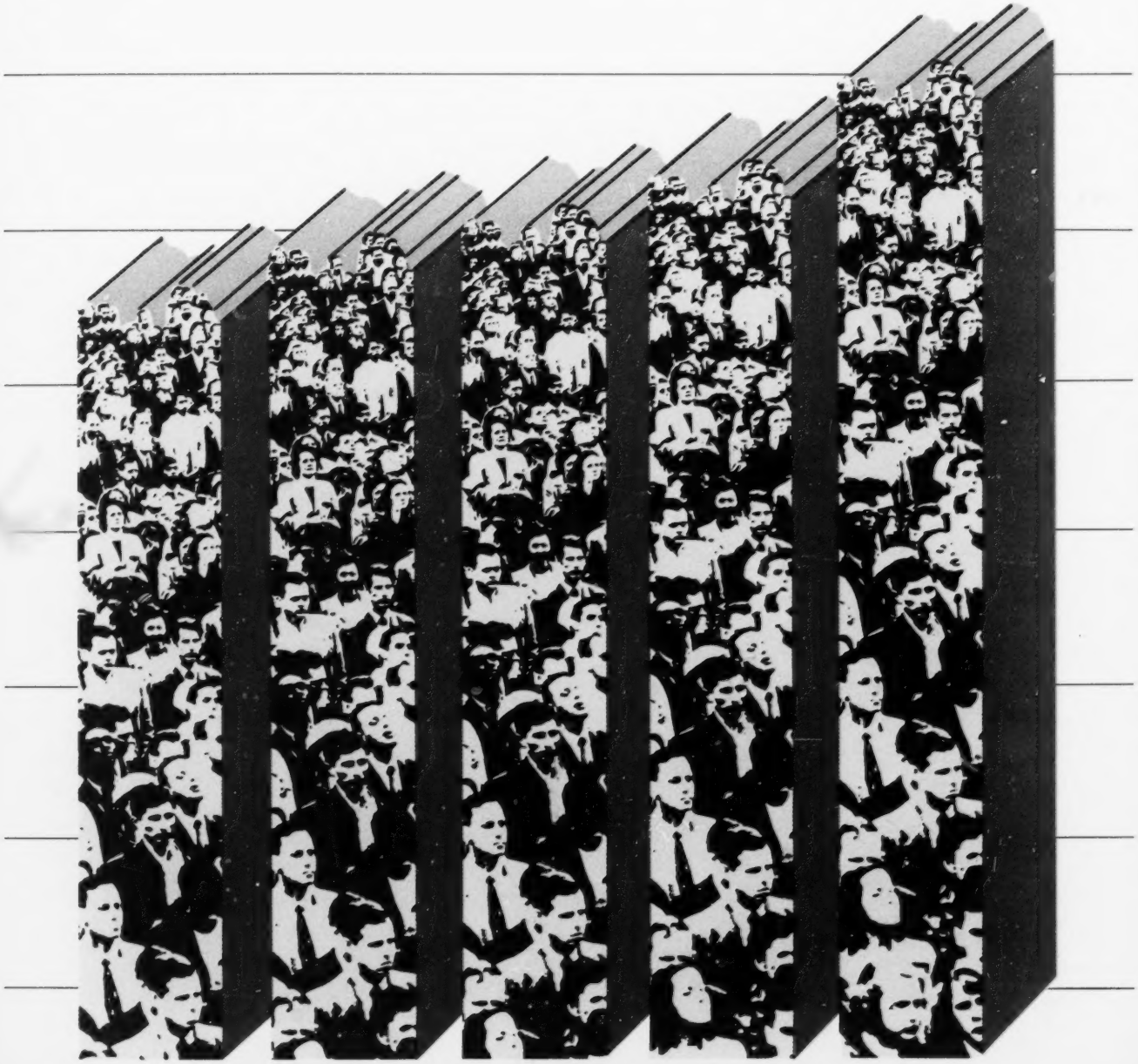


TABLE 15. Percent of Companies Paying Employee Benefits, 1979

Type of benefit	Total, all industries	Manufacturing industries															Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excl. mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
1. Legally required payments (employer's share only):																								
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	98	99
b. Unemployment Compensation	99	100	100	100	100	100	100	100	100	100	100	100	99	100	100	100	97	98	100	100	100	100	89	96
c. Workers' compensation (including estimated cost of self-insured)	96	97	94	97	96	97	97	100	100	100	97	97	98	95	100	97	94	98	86	92	93	92	95	90
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.	9	8	3	3	7	13	10	17	13	17	0	6	9	7	3	12	10	7	14	16	14	12	11	4
2. Pension, insurance, and other agreed-upon payments (employer's share only):																								
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	86	85	91	69	81	90	93	100	83	100	88	84	85	72	90	82	88	99	86	56	96	91	93	69
b. Life insurance premiums, death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
c. Salary continuation or long term disability	49	41	36	31	41	48	63	50	38	35	25	29	45	50	39	42	60	57	57	48	77	73	49	57
d. Dental insurance premiums	33	36	42	14	22	32	50	25	21	43	34	29	44	43	45	36	29	37	29	32	23	24	23	28
e. Discounts on goods and services purchased from company by employees	15	9	6	21	15	19	7	8	13	13	0	4	3	11	10	9	23	19	100	24	12	20	43	10
f. Employee meals furnished by company	18	10	6	3	15	3	30	42	8	4	13	10	6	14	3	12	28	30	0	12	35	53	20	12
g. Miscellaneous payments (compensation payments in excess of legal requirements, separation or termination pay allowances, moving expenses, etc.)	27	24	21	28	22	29	27	25	25	26	28	13	28	20	26	24	31	42	29	12	30	35	25	25
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	79	80	73	66	78	68	90	83	79	65	81	88	82	89	87	76	77	82	86	84	86	82	71	62
4. Payments for time not worked:																								
a. Paid vacations and payments in lieu of vacation	96	95	85	86	100	87	97	100	92	96	100	97	98	98	97	97	97	99	100	80	100	100	97	93
b. Payments for holidays not worked	95	95	88	90	96	84	97	100	96	100	100	96	98	95	100	94	95	98	100	84	100	100	94	88
c. Paid sick leave	78	65	70	55	41	84	80	100	63	70	53	46	56	75	77	88	96	99	100	80	95	97	98	93
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	73	73	55	55	70	74	87	83	58	70	72	70	84	71	84	76	73	90	43	60	60	71	72	62
5. Other items:																								
a. Profit-sharing payments	21	24	9	34	15	35	23	17	21	9	25	23	22	38	13	30	18	3	43	44	49	29	2	19
b. Contributions to employee thrift plans	20	17	9	14	11	26	57	67	13	9	13	4	10	9	39	21	24	43	0	8	21	36	3	9
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	45	47	27	52	67	58	53	33	38	39	41	48	38	61	45	61	42	35	14	64	40	56	43	35
d. Employee education expenditures (tuition refunds, etc.)	48	34	9	10	22	42	43	58	25	22	28	28	38	45	35	64	67	54	0	36	95	85	83	58
e. Special wage payments ordered by courts, payments to union stewards, etc.	32	34	30	28	26	16	40	42	38	9	38	38	38	39	52	33	29	50	0	16	19	39	12	16

*Includes research, engineering, education, government agencies, mining, construction, etc.

TABLE 16. Average Benefit Costs as Percent of Payroll for Companies Paying Employee Benefits, 1979

Type of benefit	Total, all industries	Manufacturing industries																Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excl. mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
1. Legally required payments (employer's share only):																									
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	5.8	5.9	5.9	6.0	6.0	5.8	5.8	5.5	6.0	5.9	5.9	5.9	5.9	5.9	5.9	5.8	5.7	5.7	5.8	5.9	5.7	5.7	5.9	5.3
b. Unemployment Compensation	1.5	1.9	1.9	2.5	1.7	2.3	1.3	0.8	2.3	1.8	1.9	2.0	1.5	2.0	1.9	2.1	1.1	0.8	2.2	1.7	1.6	1.3	0.4	1.1
c. Workers' compensation (including estimated cost of self-insured)	1.8	2.4	3.5	1.6	3.1	1.0	1.7	1.7	3.6	3.2	4.2	3.1	1.9	1.4	2.0	1.6	0.9	0.9	0.9	2.0	0.3	0.4	1.0	1.4
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.	0.5	0.6	4.6	1.4	0.9	0.5	0.1	0.1	0.4	0.3	**	0.4	0.8	0.4	0.5	0.8	0.4	0.4	0.2	0.4	0.5	0.3	0.5	0.3
2. Pension, insurance, and other agreed-upon payments (employer's share only):																									
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	6.3	5.5	6.4	2.9	5.1	5.6	6.8	11.1	4.0	5.2	6.5	4.9	5.7	5.1	5.4	5.5	7.3	9.9	3.2	4.0	6.6	7.8	3.7	6.9
b. Life insurance premiums, death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	5.7	6.6	6.4	5.3	5.9	5.4	6.6	5.5	6.0	6.7	7.9	6.8	6.7	5.9	8.1	5.7	4.4	5.2	3.0	4.1	4.9	4.3	3.6	4.1
c. Salary continuation or long term disability	0.6	0.7	0.8	0.4	0.8	0.7	0.7	0.3	0.6	0.5	0.7	0.8	0.7	0.8	0.5	0.7	0.5	0.6	0.5	0.6	0.5	0.6	0.4	0.5
d. Dental insurance premiums	0.8	0.8	0.8	0.7	0.5	0.7	0.8	0.8	0.5	0.9	1.5	0.9	0.7	0.9	0.9	0.7	0.7	0.6	0.3	0.4	1.1	0.8	0.6	0.7
e. Discounts on goods and services purchased from company by employees	0.6	0.3	0.5	0.4	0.1	0.2	0.1	0.5	0.7	0.3	**	0.2	0.2	0.3	0.7	0.4	0.8	0.6	4.1	1.1	0.6	0.2	0.6	0.6
f. Employee meals furnished by company	0.8	0.5	0.3	0.2	0.2	0.1	0.4	0.2	1.0	0.2	0.2	0.5	0.9	0.6	0.3	0.5	1.0	0.5	**	2.0	1.1	1.3	1.7	0.5
g. Miscellaneous payments (compensation payments in excess of legal requirements, separation or termination pay allowances, moving expenses, etc.)	0.9	0.8	0.7	0.4	1.3	0.6	0.7	0.8	0.7	0.5	0.7	0.9	1.0	0.4	1.5	0.6	1.0	0.1	0.1	0.3	0.7	1.1	0.7	2.1
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	4.5	4.6	5.2	5.1	4.7	4.9	5.8	4.7	4.6	4.9	4.9	4.1	3.7	4.7	4.2	4.1	4.4	4.4	4.4	4.1	4.8	4.5	4.4	6.7
4. Payments for time not worked:																									
a. Paid vacations and payments in lieu of vacation	4.9	4.8	4.9	3.5	4.7	5.1	5.6	6.4	4.9	5.0	5.0	4.5	4.7	4.8	5.1	4.6	4.9	5.7	3.8	3.8	4.6	4.8	4.5	5.0
b. Payments for holidays not worked	3.3	3.4	3.1	2.5	3.1	3.1	3.8	3.3	3.2	3.2	3.2	3.5	3.6	3.6	3.9	3.1	3.3	3.5	2.6	2.7	3.4	3.6	2.6	3.3
c. Paid sick leave	1.6	1.2	1.2	0.7	1.4	1.3	1.9	2.0	0.9	1.1	1.0	0.9	1.1	1.2	1.2	1.4	1.9	2.2	1.0	1.0	1.8	1.7	2.0	2.0
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	0.5	0.3	0.3	0.2	0.5	0.4	0.4	0.4	0.3	0.3	0.5	0.2	0.3	0.4	0.3	0.4	0.7	1.1	0.4	0.2	0.5	0.4	0.6	0.6
5. Other items:																									
a. Profit-sharing payments	6.7	6.7	5.0	3.7	6.8	5.5	7.9	6.2	3.9	1.7	10.6	5.1	10.1	5.7	6.4	9.2	6.6	1.0	3.2	3.9	7.5	7.3	3.2	7.9
b. Contributions to employee thrift plans	1.4	1.2	0.5	1.1	1.0	1.0	1.8	2.7	0.4	0.6	1.3	1.5	0.7	0.8	0.8	1.0	1.6	1.7	**	0.5	1.3	1.6	0.2	2.2
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	0.9	1.0	1.0	1.1	1.5	1.2	1.2	0.5	0.5	0.5	0.7	0.9	1.2	1.2	0.3	1.2	0.8	0.3	0.5	0.6	0.7	0.8	0.2	2.2
d. Employee education expenditures (tuition refunds, etc.)	0.3	0.2	0.1	0.3	0.2	0.2	0.2	0.2	0.1	0.4	0.3	0.2	0.2	0.2	0.2	0.3	0.4	0.3	**	0.3	0.6	0.4	0.4	0.5
e. Special wage payments ordered by courts, payments to union stewards, etc.	0.6	0.5	0.7	0.8	0.8	0.2	0.7	0.4	0.3	0.1	0.5	0.8	0.4	0.6	0.4	0.4	0.6	0.6	**	0.4	0.7	0.7	0.3	0.4

*Includes research, engineering, education, government agencies, mining, construction, etc.

**No companies reported this benefit.

10. PAYROLL DEDUCTIONS FOR EMPLOYEE BENEFITS

Deductions from paychecks for employee benefits totaled 7 percent, as shown in Table 17. Deductions included 5.8 percent for Old-Age, Survivors, Disability, and Health Insurance (FICA taxes); 0.3 percent for pension plan premiums and contributions; and 0.8 percent for life, hospital, surgical, medical, and major medical insurance.

Total deductions averaged 50.1 cents per payroll hour, or $1,042 per year per employee.

Deductions were 7.4 percent of payroll for the petroleum and miscellaneous nonmanufacturing industry firms, but only 6.4 percent for the primary metal, fabricated metal products, and nonelectrical machinery industries. As cents per payroll hour they ranged from 72.4 cents for the petroleum industry to 35.2 cents for department stores. As dollars per year per employee, they varied from $1,527 for the petroleum industry to $685 for department stores.

TABLE 17. Payroll Deductions for Employee Benefits, 1979

Industry group	Deductions as percent of payroll					Total deductions as cents per payroll hour	Total deductions as dollars per year per employee
	Total deductions	Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	Railroad Retirement and state sickness benefits insurance taxes	Pension plan premiums or contributions	Life, hospital, surgical, medical, and major medical insurance		
Total, all industries	7.0	5.8	0.1	0.3	0.8	50.1	1,042
Total, all manufacturing	6.9	5.9	0.1	0.2	0.7	49.2	1,033
Manufacture of:							
Food, beverages, and tobacco	6.9	5.9	0.1	0.3	0.6	46.0	964
Textile products and apparel	7.8	6.0	*	0.2	1.6	40.0	825
Pulp, paper, lumber, and furniture	6.9	6.0	*	0.1	0.8	46.5	968
Printing and publishing	7.3	5.8	0.3	0.1	1.1	53.5	1,063
Chemicals and allied products	6.6	5.8	*	0.1	0.7	52.4	1,089
Petroleum industry	7.4	5.5	0.1	0.4	1.4	72.4	1,527
Rubber, leather, and plastic products	7.0	6.0	0.1	0.2	0.7	44.3	917
Stone, clay, and glass products	6.6	5.9	0.1	*	0.6	44.6	947
Primary metal industries	6.4	5.9	*	0.2	0.3	47.1	986
Fabricated metal products (excluding machinery and transportation equipment)	6.4	5.9	*	0.1	0.4	43.8	940
Machinery (excluding electrical)	6.4	5.9	*	0.1	0.4	48.0	1,030
Electrical machinery, equipment, and supplies	6.9	5.9	0.1	0.2	0.7	50.3	1,038
Transportation equipment	6.6	5.9	0.1	0.1	0.5	53.1	1,121
Instruments and miscellaneous manufacturing industries	6.9	5.8	0.1	0.2	0.8	47.5	995
Total, all nonmanufacturing	7.0	5.6	*	0.4	1.0	52.2	1,072
Public utilities (electric, gas, water, telephone, etc.)	7.1	5.7	0.1	0.3	1.0	61.9	1,297
Department stores	7.2	5.8	0.1	0.4	0.9	35.2	685
Trade (wholesale and other retail)	7.1	5.9	0.1	0.2	0.9	45.7	954
Banks, finance companies, and trust companies	7.0	5.7	*	0.2	1.1	46.0	941
Insurance companies	7.3	5.7	*	0.2	1.4	51.2	1,010
Hospitals	6.9	5.8	*	0.2	0.9	40.0	827
Miscellaneous nonmanufacturing industries**	7.4	5.3	*	1.2	0.9	61.4	1,241

*Less than 0.05%.

**Includes research, engineering, education, government agencies, mining, construction, etc.

11. WAGE AND PAYROLL DATA

Hourly and annual earnings data, together with several payroll items sometimes considered employee benefits, are shown in Table 18.

Highest hourly earnings of $9.724 were reported by the petroleum industry, followed by public utilities paying $8.778. Lowest were department stores paying $4.921. On an annual basis, the highest paying was again the petroleum industry, with $20,506 per full-time employee, and lowest were department stores paying $9,571.

The average payroll for all companies surveyed was composed of 93.7 percent payments for straight time, 3.6 percent premium pay for overtime, 0.6 percent holiday premium pay, 0.6 percent shift differential, 1.1 percent earned incentive or production bonus, and 0.4 percent for other payroll items.

If employees received regular pay for holidays, but did not work on these days, such payments are reported as employee benefits in other tables of this report (item 4-b of Tables 4, 6, 7, 8, etc.). If the employee worked on holidays and received $7.00 per hour for regular straight time worked, but $10.50 per hour for holiday work, for each hour of holiday work $7.00 would be reported in Table 18 as straight time and $3.50 as holiday premium pay.

Payroll data in Table 18 are shown as percent of payroll and cents per payroll hour, but can be converted to dollars per year per employee by using as multipliers the annual figures given in the last column of the table.

Employee benefits are numerous, and there are differences of opinion regarding just what constitutes the benefit package and how it should be computed. Should workers' compensation, suggestion awards, and similar items be included? Should shift differentials, overtime premium pay, etc., be included? Should the base be gross payroll or straight-time pay for time actually worked?

Three methods of computation are illustrated in Chart 2. In this study benefits are shown as 36.6 percent of payroll, with benefits averaging $5,560 per year per employee and total gross payroll of $15,191.

However, if the computation base is changed to "straight-time pay for time worked," or $12,254, the $5,560 in benefits average 45.4 percent.

If overtime and holiday premium pay, shift differentials, production bonus, and other miscellaneous payroll items are also considered benefits, the benefits total $6,524. Compared with the $12,254 of straight-time pay for time worked, the benefits are 53.2 percent.

TABLE 18. Wage Data, by Industry Groups, 1979

Industry group	Average hourly earnings as percent of payroll							Average hourly earnings as cents per hour							Total payroll dollars per year per full-time employee
	Total payroll	Straight-time pay	Overtime premium pay*	Holiday premium pay*	Shift differential	Earned incentive or production bonus	Other	Total payroll	Straight-time pay	Overtime premium pay*	Holiday premium pay*	Shift differential	Earned incentive or production bonus	Other	
Total, all industries	100.0	93.7	3.6	0.6	0.6	1.1	0.4	731.1	684.7	26.4	4.3	4.0	8.4	3.3	15,191
Total, all manufacturing	100.0	92.2	4.2	0.8	0.7	1.6	0.5	718.0	662.5	30.1	5.5	4.9	11.2	3.8	15,067
Manufacture of:															
Food, beverages, and tobacco	100.0	92.3	4.8	1.2	0.4	1.2	0.1	671.5	620.4	32.0	8.0	2.4	8.1	0.6	14,073
Textile products and apparel	100.0	92.9	4.2	0.7	0.5	1.3	0.4	515.1	478.4	21.6	3.4	2.7	6.9	2.1	10,610
Pulp paper, lumber, and furniture	100.0	91.5	4.1	0.3	0.5	2.8	0.8	672.6	615.2	27.5	2.3	3.7	18.8	5.1	14,022
Printing and publishing	100.0	94.0	2.6	0.8	0.7	1.3	0.6	734.9	690.7	18.8	6.2	4.9	9.8	4.5	14,611
Chemicals and allied products	100.0	91.9	4.8	0.7	0.8	1.3	0.5	789.1	724.4	38.1	5.5	6.2	10.6	4.3	16,383
Petroleum industry	100.0	91.3	5.6	1.0	1.1	0.8	0.2	972.4	887.7	54.8	9.7	10.5	7.4	2.3	20,506
Rubber, leather, and plastic products	100.0	93.2	3.8	0.6	0.7	1.7	**	637.4	593.9	24.5	4.0	4.2	10.7	0.1	13,174
Stone, clay, and glass products	100.0	93.7	3.9	0.6	0.4	0.9	0.5	678.3	635.1	26.6	3.9	2.7	6.4	3.6	14,420
Primary metal industries	100.0	91.4	4.6	1.3	0.7	1.6	0.4	731.2	668.7	33.9	9.2	4.8	11.9	2.7	15,291
Fabricated metal products (excluding machinery and transportation equipment)	100.0	91.8	4.6	1.0	0.5	1.8	0.3	682.1	625.6	31.6	6.8	3.6	12.4	2.1	14,626
Machinery (excluding electrical)	100.0	91.1	4.7	0.8	0.8	1.9	0.7	748.0	681.4	35.0	5.6	6.0	14.3	5.7	16,041
Electrical machinery, equipment, and supplies	100.0	93.6	3.3	0.6	0.8	1.2	0.5	733.8	686.5	24.0	4.4	5.8	9.1	4.0	15,134
Transportation equipment	100.0	90.8	4.9	0.7	1.2	1.4	1.0	809.5	734.5	40.0	6.0	9.8	11.3	7.9	17,090
Instruments and miscellaneous manufacturing industries	100.0	94.2	2.9	0.3	0.6	1.2	0.8	689.0	649.6	19.8	2.0	4.1	8.2	5.3	14,429
Total, all nonmanufacturing	100.0	95.5	2.8	0.4	0.4	0.6	0.3	751.3	717.5	21.2	2.7	2.9	4.5	2.5	15,409
Public utilities (electric, gas, water, telephone, etc.)	100.0	93.8	5.3	0.5	**	0.1	0.3	877.8	823.8	46.3	4.5	0.1	0.6	2.5	18,389
Department stores	100.0	97.3	0.8	**	**	1.9	**	492.1	478.6	4.1	***	***	9.4	***	9,571
Trade (wholesale and other retail)	100.0	94.7	2.7	0.3	0.2	1.5	0.6	641.3	607.2	17.0	2.2	1.0	9.8	4.1	13,392
Banks, finance companies, and trust companies	100.0	96.8	1.9	0.2	0.3	0.6	0.2	654.8	634.5	12.4	1.3	1.7	3.8	1.1	13,393
Insurance companies	100.0	97.2	1.2	0.1	0.1	0.9	0.5	697.1	678.5	8.4	0.4	0.5	5.9	3.4	13,755
Hospitals	100.0	95.4	2.0	0.7	1.4	0.1	0.4	576.6	550.5	11.3	4.1	8.0	0.4	2.3	11,911
Miscellaneous nonmanufacturing industries****	100.0	96.2	2.0	0.2	0.1	1.3	0.2	830.8	799.2	16.5	1.6	1.0	10.7	1.8	16,788

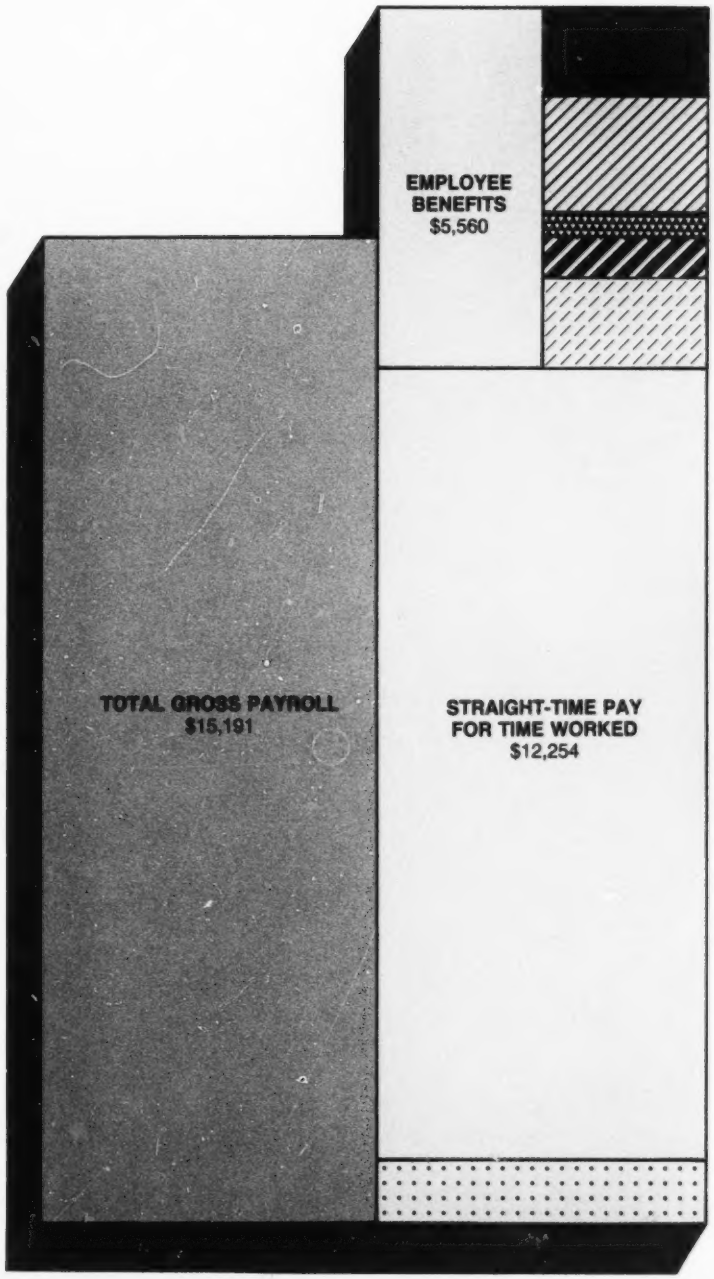
Includes bonus or premium pay only. If employee receives $6.00 per hour for straight time and $9.00 for overtime, for each overtime hour worked, $6.00 would be shown as straight-time pay and $3.00 as overtime pay.

**Less than 0.05%.*

***Less than 0.05¢.*

****Includes research, engineering, education, government agencies, mining, construction, etc.*

CHART 2. Annual Employee Benefits and Earnings per Employee, 1979



OUTSIDE PAYROLL	$3,587
← Legally required payments	1,368
← Pensions, insurance, etc.	1,844
← Miscellaneous	375
INSIDE PAYROLL	1,973
Rest periods, etc.	539
← Paid vacations, holidays, etc.	1,434

EMPLOYEE BENEFITS	$5,560	$5,560	$6,524
BASE	$15,191	$12,254	$12,254
PERCENT BENEFITS	36.6%	45.4%	53.2%

Overtime premium pay	$548
Holiday premium pay	90
Shift differential	84
Production bonus	174
Other payroll items	68
Total	$964

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12. COMPARISON OF 1959-79 EMPLOYEE BENEFITS

Of the 922 companies reporting in the survey, 182 had submitted data in the Chamber's 1959 and later surveys. Thus, it was possible to trace the growth of employee benefits in an identical group of 182 companies.

These 182 firms reported benefit payments rising from 24.4 percent of payroll in 1959 to 31 percent in 1969 and 41.2 percent in 1979. This was an increase of 69 percent during the 20-year period.

Due to rising wage rates, benefits as cents per payroll hour and as annual dollars per employee increased much more rapidly than on a percent of payroll basis. Employee benefits for this group of companies increased from 61.3 cents per payroll hour in 1959 to 328.2 cents in 1979, a rise of 435 percent.

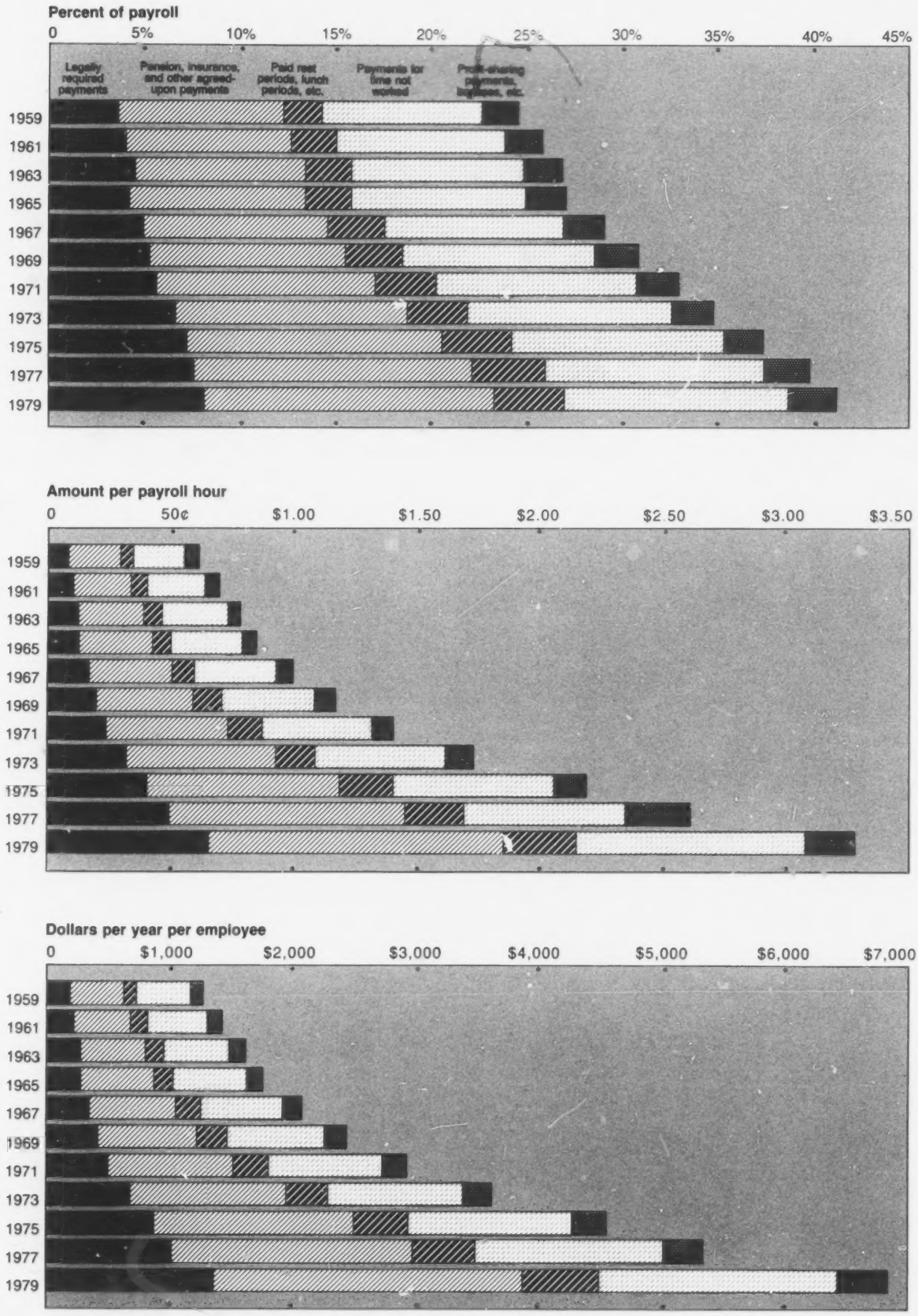
As dollars per year per employee, they increased from $1,268 in 1959 to $6,837 in 1979, an increase of 439 percent.

Average benefits for these 182 companies are somewhat higher than the 922 company averages shown in other tables of this report because many of the 182 companies are rather large and established their benefit programs earlier than the other companies.

TABLE 19. Comparison of 1959-79 Employee Benefits for 182 Companies

Item	1959	1961	1963	1965	1967	1969	1971	1973	1975	1977	1979
All industries (182 companies)											
1. As percent of payroll, total	24.4	25.8	26.8	27.1	29.1	31.0	33.0	35.1	37.6	39.9	41.2
a. Legally required payments (employer's share only)	3.5	4.0	4.4	4.2	4.9	5.3	5.6	6.6	7.0	7.6	8.2
b. Pension, insurance, and other agreed-upon payments (employer's share only)	8.4	8.6	9.0	9.3	9.8	10.4	11.6	12.2	13.4	14.6	15.1
c. Paid rest periods, lunch periods, etc.	2.1	2.4	2.4	2.5	2.8	3.1	3.2	3.3	3.7	3.7	3.7
d. Payments for time not worked	8.3	8.7	9.0	9.1	9.5	10.1	10.5	10.7	11.2	11.5	11.7
e. Profit-sharing payments, bonuses, etc.	2.1	2.1	2.0	2.0	2.1	2.1	2.1	2.3	2.3	2.5	2.5
2. As cents per payroll hour	61.3	69.6	78.5	85.1	99.9	117.0	140.7	173.0	219.1	261.3	328.2
3. As dollars per year per employee	1,268	1,443	1,626	1,770	2,071	2,441	2,919	3,628	4,563	5,416	6,837
All manufacturing (73 companies)											
1. As percent of payroll, total	23.2	24.8	25.7	26.5	29.0	31.2	33.6	35.9	39.0	41.0	42.5
a. Legally required payments (employer's share only)	3.9	4.5	4.9	4.6	5.4	5.9	6.4	7.5	8.0	8.6	9.2
b. Pension, insurance, and other agreed-upon payments (employer's share only)	7.2	7.4	7.7	8.2	9.1	10.0	11.5	12.4	13.7	14.7	15.3
c. Paid rest periods, lunch periods, etc.	2.6	3.1	3.1	3.3	3.5	3.7	3.9	3.9	4.1	4.2	4.2
d. Payments for time not worked	7.0	7.5	7.8	8.3	8.7	9.3	9.8	10.0	10.6	11.0	11.3
e. Profit-sharing payments, bonuses, etc.	2.5	2.3	2.2	2.1	2.3	2.3	2.0	2.1	2.6	2.5	2.5
2. As cents per payroll hour	59.2	67.6	75.5	83.2	98.1	116.7	142.8	174.4	221.9	264.1	339.2
3. As dollars per year per employee	1,228	1,410	1,585	1,768	2,068	2,482	3,017	3,724	4,689	5,505	7,157
All nonmanufacturing (109 companies)											
1. As percent of payroll, total	25.2	26.5	27.5	27.4	29.1	30.9	32.6	34.5	36.7	39.2	40.3
a. Legally required payments (employer's share only)	3.2	3.6	4.1	3.8	4.6	4.9	5.1	6.0	6.3	6.9	7.5
b. Pension, insurance, and other agreed-upon payments (employer's share only)	9.2	9.5	9.9	10.0	10.2	10.8	11.6	12.1	13.1	14.5	14.8
c. Paid rest periods, lunch periods, etc.	1.8	2.0	1.9	1.9	2.4	2.6	2.8	2.9	3.5	3.5	3.5
d. Payments for time not worked	9.2	9.5	9.7	9.7	10.0	10.6	10.9	11.1	11.6	11.9	12.0
e. Profit-sharing payments, bonuses, etc.	1.8	1.9	1.9	2.0	1.9	2.0	2.2	2.4	2.2	2.4	2.5
2. As cents per payroll hour	62.7	70.9	80.6	86.4	101.1	117.2	139.3	172.1	217.3	259.4	320.9
3. As dollars per year per employee	1,294	1,464	1,654	1,771	2,073	2,413	2,854	3,564	4,478	5,357	6,623

CHART 3. Comparison of 1959-79 Employee Benefits for 182 Companies



13. TOTAL EMPLOYEE BENEFIT COSTS

Employee benefit costs are estimated at $390 billion for 1979, as shown in Table 20. Costs in manufacturing industries are estimated at $117 billion, or 35.5 percent of the $330.9 billion paid in wages and salaries. Wholesale and retail trade benefits are estimated at $58 billion, or 28 percent of the $206.8 billion in wages and salaries. Benefits in service industries are estimated at $47 billion; construction at $19 billion; finance, insurance, and real estate at $26 billion; transportation at $20.5 billion; utilities and communication at $16.5 billion; mining at $8.3 billion; agriculture at $2.7 billion; and federal, state, and local benefits at $75 billion.

Total benefits for 1929 are estimated at $1.5 billion, or 3 percent of that year's $50.4 billion in wages and salaries (Table 21). There were no Old-Age, Survivors, Disability, and Health Insurance or Unemployment Compensation programs. The only legally required payments were workers' compensation and government employees' retirement, totaling 0.8 percent.

Agreed-upon programs in 1929 are estimated at 0.4 percent, including small amounts for private pension and insurance programs. Rest periods are estimated at 1 percent, and time paid for but not worked is estimated at 0.7 percent.

In 1929, vacations and paid holidays were usually limited to office workers, with the one-week vacation common, and paid holidays considerably fewer than today. Bonuses, profit-sharing, and other miscellaneous benefits in 1929 are estimated at 0.1 percent.

The 1959 benefits are estimated at 19 percent of wages and salaries, or $49 billion. This includes 4.2 percent for legally required payments, 4.2 percent for agreed-upon payments, 3 percent for rest periods, 6.6 percent for time not worked, and 1 percent for other benefits.

Benefit payments for 1969 are estimated to have reached $121 billion, or 24 percent of payroll. Legally required payments are estimated at 6.6 percent; agreed-upon payments at 5.1 percent; rest periods, 3.3 percent; time not worked, 7.7 percent; and bonuses, profit-sharing payments, etc., 1.3 percent.

Total 1979 benefits are estimated at 31.8 percent of payroll. This includes 9.4 percent for legally required payments, 8.1 percent for pension, insurance, and other agreed-upon payments; and 3.8 percent for rest periods. Vacations, holiday, sick leave, and other time not worked is estimated at 9.4 percent, and bonuses, profit-sharing, and other miscellaneous payments at 1.1 percent.

TABLE 20. Estimated Total Employee Benefits Payments, 1979

Industry	Wages and salaries (Billion dollars)	Benefit payments	
		Percent	Billion dollars
Manufacturing	$ 330.9	35.5%	$117.0
Trade (wholesale and retail)	206.8	28	58.0
Services	190.9	24.5	47.0
Construction	72.4	26.5	19.0
Finance, insurance, and real estate	66.9	39	26.0
Transportation	54.4	38	20.5
Utilities and communication	39.7	41.5	16.5
Mining	19.6	42	8.3
Agriculture	12.3	22	2.7
Private industry	993.9	31.7	315.0
Government (federal, state, local)	233.5	32.1	75.0
Total, all industries	$1,227.4	31.8%	$390.0

SOURCES: Wages and salaries data from United States Department of Commerce.
Employee benefit data estimated by Chamber of Commerce of the United States.

TABLE 21. Growth of Employee Benefits, 1929 to 1979

Type of payment	1929	1959	1969	1979
	(Percent of wages and salaries)			
1. Legally required	0.8%	4.2%	6.6%	9.4%
Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	0	1.7	3.5	4.8
Unemployment Compensation	0	0.9	0.7	1.2
Workers' compensation	0.6	0.6	1.0	1.0
Government employee retirement	0.2	0.8	1.1	2.1
Other	0	0.2	0.3	0.3
2. Agreed-upon	0.4	4.2	5.1	8.1
Pensions	0.2	2.6	2.7	3.6
Insurance	0.1	1.3	2.1	4.1
Other	0.1	0.3	0.3	0.4
3. Rest periods	1.0	3.0	3.3	3.8
4. Time not worked	0.7	6.6	7.7	9.4
Vacation	0.3	3.5	3.9	4.8
Holidays	0.3	2.2	2.7	3.2
Sick leave	0.1	0.8	0.9	1.2
Other	0	0.1	0.2	0.2
5. Bonuses, profit-sharing, etc.	0.1	1.0	1.3	1.1
Total benefit payments	3.0%	19.0%	24.0%	31.8%
	(Billion dollars)			
Wage and salaries	$50.4	$258.2	$509.0	$1,227.4
Total benefit payments	$ 1.5	$ 49.0	$121.0	$ 390.0

Source: Estimated by Chamber of Commerce of the United States.

14. SUPPLEMENTS TO WAGES AND SALARIES

The United States Department of Commerce publishes some employee benefits data in its National Income statistics. Listed as supplements to wages and salaries, and covering the period 1929 to date, they consist chiefly of legally required payments and expenditures for private pension and welfare plans (items B and C of the Chamber questionnaire). These costs grew from $0.7 billion in 1929 to $231.8 billion in 1979, as shown in Table 22 and Chart 4. The 1979 costs averaged 18.3 percent of wages and salaries for all industries, but ranged from 11.7 percent for wholesale and retail trade, and 13.6 percent for the service industries, to 25.6 percent for electric, gas, and sanitary services and 37.1 percent for communication.

TABLE 22. Supplements to Wages and Salaries, 1929 to 1979

(United States Department of Commerce Data)

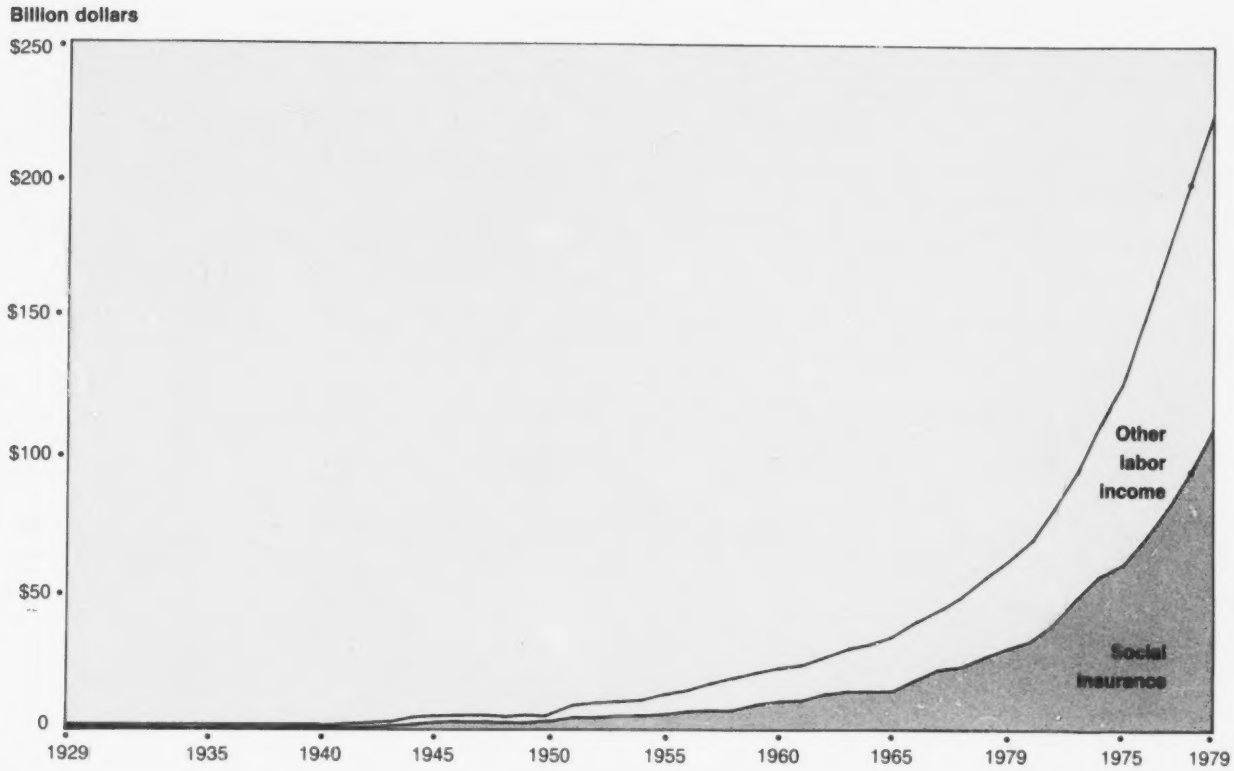
Item	1929	1935	1940	1945	1950	1955	1960	1965	1970	1975	1979
	Million dollars*										
Total supplements to wages and salaries	662	650	2,311	5,604	7,818	13,238	23,000	34,538	62,697	125,207	231,837
Employer contributions for social insurance	101	171	1,624	3,805	4,164	6,216	11,780	16,698	30,680	60,079	109,123
Federal social insurance funds	29	44	1,469	3,580	3,482	4,957	9,645	13,668	25,006	48,824	85,969
Old-Age, Survivors, and Disability Insurance	...	...	329	630	1,308	2,825	5,632	8,330	16,381	30,605	**
Hospital insurance	...	...	...	...	...	...	...	...	2,371	5,631	**
State unemployment insurance	...	7	813	1,011	1,217	1,221	2,300	3,076	2,493	5,283	12,797
Federal unemployment tax	...	...	98	174	232	304	343	558	854	1,294	3,092
Federal civilian employee retirement	21	32	93	227	316	144	838	1,146	2,104	4,353	6,779
Other items	8	5	136	1,538	409	463	532	558	803	1,658	2,757
State and local social insurance funds	72	127	155	225	682	1,259	2,135	3,030	5,674	11,255	23,154
State and local employee retirement	72	127	155	225	510	985	1,775	2,525	4,921	9,889	20,416
Other items	...	...	...	...	172	274	360	505	753	1,366	2,738
Other labor income	561	479	687	1,799	3,654	7,022	11,220	17,840	32,017	65,128	122,714
Employer contributions to private pension and welfare funds	169	180	282	1,132	3,534	6,845	10,969	17,485	31,447	64,190	**
Pension and profit-sharing	...	...	...	...	1,713	3,377	4,866	7,646	12,972	28,045	**
Group health insurance	...	...	...	...	781	1,706	3,374	5,890	11,801	24,649	**
Group life insurance	...	...	...	...	249	561	1,080	1,651	2,848	4,368	**
Workers' compensation	...	...	...	...	791	1,150	1,529	2,177	3,696	6,888	**
Supplemental unemployment	...	...	...	...	...	51	120	121	130	240	**
Other items	392	299	405	667	120	177	251	355	570	938	**
	Total supplements as percent of wages and salaries										
All industries	1.3	1.8	4.6	4.8	5.3	6.3	8.6	9.7	11.4	15.5	18.3
Agriculture, forestry, and fisheries	0.4	0.5	0.6	0.4	0.6	2.1	3.4	4.8	6.6	10.9	14.8
Mining	1.6	1.7	5.7	4.1	8.9	9.6	10.9	11.0	12.1	21.6	25.0
Contract construction	2.3	3.4	6.6	5.3	5.0	5.5	7.8	9.3	10.3	12.9	15.5
Manufacturing	0.9	1.2	5.2	5.1	6.4	8.1	10.8	12.9	15.3	19.1	22.8
Transportation	2.0	2.7	6.2	6.0	6.3	7.1	9.9	10.7	12.5	17.6	20.4
Communication	2.1	4.4	8.8	8.9	10.0	8.7	10.8	13.3	16.6	32.2	37.1
Electric, gas, and sanitary services	1.7	2.2	6.2	9.4	9.0	10.4	12.6	14.8	16.6	22.2	25.6
Wholesale and retail trade	0.6	0.8	3.9	3.4	3.7	4.1	5.9	6.7	8.2	12.6	11.7
Finance, insurance, and real estate	2.4	2.6	6.0	5.1	6.1	7.2	11.0	12.1	13.6	17.6	20.1
Services	0.4	0.6	2.5	2.2	2.5	3.1	4.5	5.3	7.0	11.6	13.6
Government and government enterprises	3.2	3.5	4.1	5.3	5.6	5.3	8.6	8.7	10.3	13.9	18.8
All private enterprises	1.1	1.4	4.8	4.5	5.3	6.5	8.6	10.0	11.7	16.0	18.2

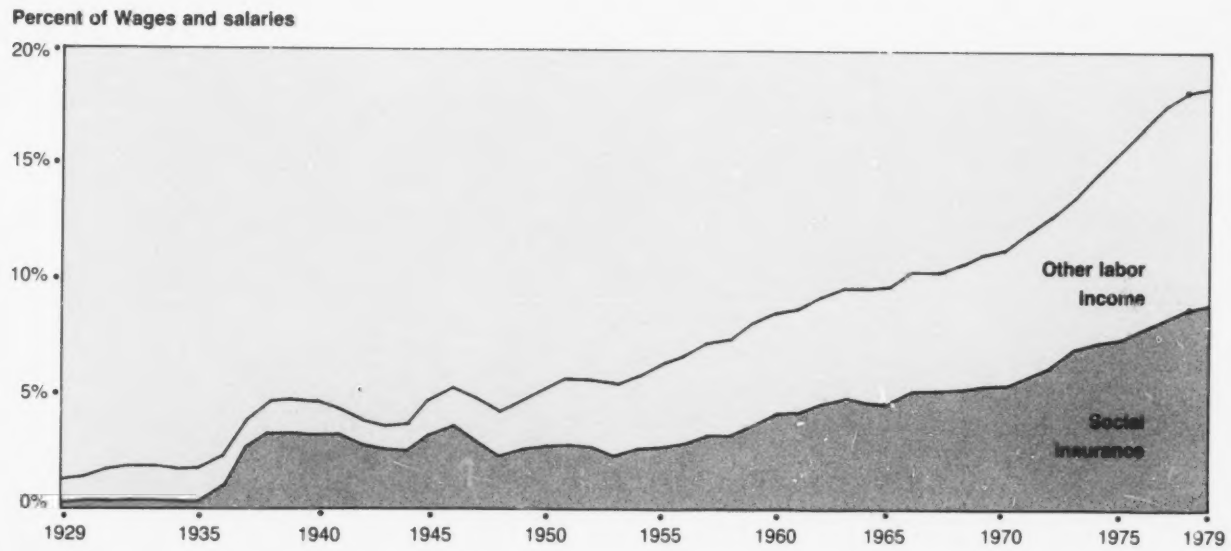
**Due to changes in classification, 1929-45 data are not strictly comparable with more recent data.*

***Data not available.*

Source: United States Department of Commerce data. Percentages computed by Chamber of Commerce of the United States.

CHART 4. Supplements to Wages and Salaries, 1929 to 1979





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15. HOW EMPLOYEE BENEFITS WERE SURVEYED

As in earlier studies, it was necessary to go directly to employers for the basic data on employee benefits. The mailing list included firms reporting in the Chamber's 1977 and 1978 surveys, plus samples of firms from POOR'S REGISTER OF DIRECTORS AND EXECUTIVES 1979 (omitting firms with fewer than 100 employees), plus a number of large and medium-sized public utilities, banks, insurance companies, and wholesale and retail trade firms. Questionnaires were also sent to firms requesting that they be included in the survey. Questionnaires were sent to some of their members by the National Retail Merchants Association, the Hospital Association of New York State, the Hospital Association of Pennsylvania, the Kansas City Area Hospital Association, and the American Paper Institute.

EMPLOYEES COVERED

This study is, in general, limited to employees who are not exempt from the Fair Labor Standards Act. Pay of workers covered by this survey varies with the number of hours worked. However, for banks, financial institutions, etc., all nonsupervisory employees and working supervisors are included, regardless of their method of wage payment.

COMPUTATION METHOD

The method of computation used in this study is outlined below. Also shown is a procedure for computing a company's benefit payments on a basis comparable to that used in this report.

In combining company data to form industry averages, the percentages for individual companies were added together without weighting. Otherwise, data for a few large companies might obscure the data of many small firms. Also, this procedure tended to compensate for the lower percentage coverage of smaller firms.

YOUR COMPANY'S EMPLOYEE BENEFITS

After the Chamber's previous benefits studies were published, several companies inquired how their data might be compiled on a comparable basis. This can be done by completing the questionnaire on pages 34-36 and performing the following computations.

1. Total benefit payments (Questionnaire items B through F) .....$_____
2. "Full-time equivalent" employees (In questionnaire item H divide the hours for all employees by the hours for a full-time employee) ..... _____

Employee benefit payments as:

Percent of payroll (Item 1 above divided by questionnaire item A-7) ..... _____

Cents per payroll hour (Item 1 above divided by the hours for all employees in questionnaire item H) ..... _____

Dollars per year per employee (Item 1 above divided by item 2 above) .....$_____

REPRODUCTION PRIVILEGES

A number of companies have published their benefit data in annual reports, employee publications, and advertisements, often with data from the Chamber studies. Any data given in this report may be reprinted without specific permission from the Chamber of Commerce of the United States.

	Our Company	Our Industry	All Manufacturing	All non-Manufacturing	All Industries
Employee benefits as:					
Percent of payroll	_____%	_____%	37.2%	35.7%	36.6%
Cents per payroll hour	_____¢	_____¢	267.1¢	268.2¢	267.6¢
Dollars per year per employee	$_____	$_____	$5,605	$5,501	$5,560

16. COPY OF QUESTIONNAIRE USED IN SURVEY

INSTRUCTIONS

EMPLOYEE BENEFITS SURVEY—1979

(Fringe Benefits)

THIS SURVEY IS CONFIDENTIAL

Data of individual firms will not be disclosed. Data furnished will be published only in the form of totals for groups of companies. Only persons handling the research will see your report.

1. **COVERAGE.** If you have several divisions or plants, data covering any typical group of employees will be satisfactory.
2. **EMPLOYEES COVERED IN SURVEY.** Except for banks, financial institutions, etc., limit data included in this report to hourly-rated employees and to salaried employees who are paid on a similar basis. That is, include data for salaried employees if their pay varies depending on whether they work overtime, or less than full time, but do not include them if they receive their regular daily or weekly pay regardless of hours worked. Since this definition would exclude many employees of **banks, financial institutions, etc.,** for these firms please include all nonsupervisory employees and all working supervisors, regardless of their method of payment. Please exclude all officers of company. **Hospitals** having difficulty making this employee separation can also include data for all employees.
3. **APPROXIMATE OR INCOMPLETE DATA.** If you are unable to give exact data for the various items in the questionnaire, please give estimates—we would prefer a good estimate to a blank space. If you are unable to break down the data on payments exactly as we have outlined it, please give the data that is available. Please indicate the items for which payments were made, but for which you cannot give separate figures.
4. **QUESTION A. GROSS PAYROLL DATA.** For this item report actual wages (not take-home pay after deductions have been made). Report on line A-1 the straight-time wages for all hours, including pay for time not worked, plus payments in lieu of vacations and holidays. Report premium and bonus payments on other lines. Thus, if an employee receives $7.00 an hour for straight time and $3.50 additional for overtime after 40 hours, for each hour of overtime worked after 40 hours, $7.00 would be entered on line A-1, and $3.50 on line A-2.
5. **ITEMS C-1, C-4, and C-6. PENSION AND INSURANCE PREMIUMS.** For pension and insurance premiums, report net payments after deducting any dividends or credits returned to employer by insurer. In **pension programs** the company's long-term commitment is fixed, not tied to profits. Profit sharing payments are reported as Item F-1.
6. **ITEM C-4. LIFE INSURANCE.** Exclude premiums for life insurance purchased under a pension plan. Such premiums should be reported under Item C-1.
7. **ITEM C-6. MEDICAL CARE INSURANCE.** Include premiums which supplement Medicare coverage of retired employees.
8. **ITEM F-1. PROFIT-SHARING PAYMENTS.** Company contributions are based on current profits of the business, fluctuating with current profit levels.
9. **ITEM F-2. CONTRIBUTIONS TO EMPLOYEE THRIFT PLANS.** Company contributions are not tied to current profit levels, but are a fixed proportion of amount contributed by employees.
10. **QUESTION G. EMPLOYEE PAYROLL DEDUCTIONS.** For this question report deductions from employee pay. Employer contributions are reported in questions B and C.
11. **QUESTION H. EMPLOYEE HOURS.** This is the number of hours worked or paid for, corresponding to earnings given on line A-1. **Employee hours for full-time employee.** Report the total number of hours for a typical full-time employee in 1979. It would be the number of hours representing the wages shown on line A-1, including paid vacation period, paid holidays, paid sick leave, etc. If hours would not be the same for all employees, show hours for the majority of employees.

ECONOMIC POLICY/CHAMBER OF COMMERCE OF THE UNITED STATES/WASHINGTON, D.C. 20062

CONFIDENTIAL

EMPLOYEE BENEFITS SURVEY—1979

(Fringe Benefits)

For Office Coding—Leave Blank

1 ____ ____ ____ ____

____ ____ ____ ____ ____ ____ ____

____ ____ ____ ____ ____ ____ ____

____ ____ ____ ____ ____ ____ ____

27 ____ ____ ____

____ ____

____

33 ____

Name of Firm _____ Date _____

Address _____ City _____ State _____ Zip Code _____

Name of Company Official _____ Title _____

Show actual data or best estimate for employees covered in survey.

Total amount for 1979

A. GROSS PAYROLL FOR EMPLOYEES IN SURVEY: (See Instructions No. 4)

1. Straight time for employees in survey		$ _____	
2. Overtime premium pay	Include **BONUS AND**	$ _____	34 ____ ____ ____
3. Holiday premium pay	**PREMIUM PAY ONLY**	$ _____	____ ____ ____
4. Shift differential	on lines 2-6.	$ _____	40 ____ ____ ____
5. Earned incentive or production bonus	Report straight-time	$ _____	____ ____ ____
6. Other (Specify: _____)	pay on line 1.	$ _____	46 ____ ____ ____
7. Total gross payroll		$ _____	____ ____ ____ ____

B. LEGALLY REQUIRED PAYMENTS (employer's share only):

1. Old-Age, Survivors, Disability, and Health Insurance (employee FICA taxes)	$ _____	53 ____ ____ ____
2. Unemployment Compensation (Federal and state taxes)	$ _____	____ ____ ____
3. Workers' Compensation (estimate cost if self-insured)	$ _____	59 ____ ____ ____
4. Railroad Retirement Tax	$ _____	
5. Railroad Unemployment and Cash Sickness Insurance	$ _____	
6. State sickness benefits insurance	$ _____	
7. Other (Specify: _____)	$ _____	____ ____ ____
8. Total	$ _____	

C. VOLUNTARY OR AGREED-UPON PAYMENTS (employer's share only):

1. Pension plan premiums under insurance and annuity contracts (net) (See Instructions No. 5)	$ _____	65 ____ ____ ____
2. Payments to uninsured trusteed pension plans	$ _____	____ ____ ____
3. Pension payments under unfunded pension programs	$ _____	71 ____ ____ ____
4. Life insurance premiums (net) (See Instructions Nos. 5 and 6)	$ _____	
5. Death benefits not covered by insurance	$ _____	
6. Hospital, surgical, medical, and major medical insurance premiums (net) (See Instructions No. 7)	$ _____	
7. Hospital, surgical, medical, and major medical payments self-insured	$ _____	6 ____ ____ ____
8. Salary continuation or long-term disability (insured, self-administered, or trust)	$ _____	____ ____ ____
9. Dental insurance premiums	$ _____	12 ____ ____ ____
10. Discounts on goods and services purchased from company by employees	$ _____	____ ____ ____
11. Employee meals furnished by company	$ _____	18 ____ ____ ____
12. Other (Specify: _____)	$ _____	21 ____ ____ ____
13. Total	$ _____	

Please return the filled-out questionnaire to:
ECONOMIC POLICY/CHAMBER OF COMMERCE OF THE UNITED STATES/WASHINGTON, D.C. 20062

CONFIDENTIAL

	Total amount for 1979	For Office Coding—Leave Blank
D. PAID REST PERIODS, COFFEE BREAKS, LUNCH PERIODS, WASH-UP TIME, TRAVEL TIME, CLOTHES-CHANGE TIME, GET-READY TIME, ETC.	$	24
E. PAYMENTS FOR TIME NOT WORKED:		
1. Payments for or in lieu of vacations	$	27
2. Payments for or in lieu of holidays not worked	$	
3. Sick leave pay	$	33
4. Payments required under guaranteed workweek or workyear	$	
5. Jury, witness, and voting pay allowances	$	
6. National Defense, State or National Guard duty	$	
7. Payment for time lost due to death in family or other personal reasons	$	
8. Other (Specify: _____)	$	36
9. Total	$	
F. OTHER ITEMS:		
1. Profit-sharing payments (See Instructions No. 8)		
(a) Current cash payments	$	39
(b) Payments to deferred profit-sharing trusts	$	
2. Contributions to employee thrift plans (See Instructions No. 9)	$	45
3. Christmas or other special bonuses (not tied to profits), service awards, suggestion awards, etc.	$	
4. Employee education expenditures (tuition refunds, seminar attendance, etc.)	$	51
5. Payments to union stewards or officials for time spent in settling grievances or in negotiating agreements	$	
6. Special wage payments ordered by courts, wage adjustment boards, etc.	$	
7. Other (Specify: _____)	$	54
8. Total	$	
G. EMPLOYEE PAYROLL DEDUCTIONS: (See Instructions No. 10)		
1. Old-Age, Survivors, Disability, and Health Insurance (employee FICA taxes)	$	57
2. Railroad Retirement Tax	$	
3. State sickness benefits insurance tax	$	
4. Pension plan premiums or contributions	$	63
5. Life insurance premiums	$	
6. Hospital, surgical, medical, and major medical insurance premiums or contributions	$	66
7. Total	$	

H. EMPLOYEE HOURS (hours worked or paid for, including time actually worked, plus holidays, vacation, sick leave, and other time paid for but not worked) (See Instructions No. 11)

1. All employees in survey (total hours during 1979) _____ 69
2. Typical full-time employee (total hours during 1979) _____ 73

I. TYPE OF BUSINESS and principal lines or products manufactured or handled:

_____

_____

_____

_____

Please return the filled-out questionnaire to:
ECONOMIC POLICY/CHAMBER OF COMMERCE OF THE UNITED STATES/WASHINGTON, D.C. 20062